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On behalf of all of us in FBIS I wish to express appreciation to our readers who have guided our efforts throughout the years.

4 March 1981

WEST EUROPE REPORT

No. 1709

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THEATER FORCES

FINLAND

'HUFUVSTADSBLADET' VIEWS NORWEGIAN NUCLEAR-FREE ZONE STANCE

LD241157 Helsinki HUFUVSTADSBLADET in Swedish 17 Feb 81 p 2

[Editorial: "Zone Solution in Broader Context"]

[Text] "At least this much is clear--that a unilateral declaration of the Nordic countries as a nuclear-free zone will not be my policy." This is how Norway's new Prime Minister Gro Harlem Brundtland defined her view of the question.

Heatedly debated since last fall, of Norwegian and Nordic nuclear arms policy in general and in particular the establishment of "the Nordic areas" as a nuclear-free region also in the event of a crisis. Such a region already exists in practice in peacetime, although not fixed by treaty in any concerted Nordic form.

The prime minister's declaration was a response to a direct question from opposition leader Kaare Willoch from the Conservative Party, who had claimed that the internal debate within the Labor Party in recent months had created uncertainty as to what line the Norwegian Government actually intended to follow in the zone issue. The claimed uncertainty is also said to have contributed to Odvar Nordli's swift departure as government head. After the handover to Gro Harlem Brundtland there must have been many others, over and above Kaare Willoch, who were wondering what possible future nuances in security policy this could be expected to involve.

Even in her government's inaugural declaration Gro Harlem Brundtland stated that membership of NATO will be "completely fundamental" to Norwegian policy in the future too. Her later indication of her position on the zone issue with its express demands that Soviet and other Warsaw Pact areas should also be included in any possible zone amounts to a statement that her government does not intend to diverge from the traditional pattern which her predecessors followed in this respect either. This should have given the opposition leader the answer he could reasonably ask for at this stage.

However, the prime minister's remarks have by no means put an end to the current security policy debate in Norway in this election year. This was initiated by a surprisingly violent reaction from the left wing of the Labor Party to the Nordli cabinet's plans for contingency stockpiling of heavy U.S. military equipment in Norway even in peacetime. It rode out that storm. And the U.S.-Norwegian agreement was brought home at the end of last year.

Instead of contingency stockpiling there was an exchange of words on the Nordic nuclear-free zone and the problems connected with nuclear arms. Ambassador Jens Evensen, a trusted top man in the Labor Party, caused a heated discussion here, which even gave rise to controversy in Finland, especially since King Olav of Norway was on a state visit here at the very same time. The differences of opinion in the party were considered to be sufficiently significant for the leadership out of concern for the party's cohesion to feel obliged to include in the draft of a new manifesto a promise of active efforts toward creating a nuclear-free zone within the "northern areas." [quoted phrase as published]

Prime Minister Nordli also pointed out in his New Year's speech that Norway should be ready to fix such a zone by treaty, if this could happen in "a broader European context."

As can be seen, these formulations were relatively loose, primarily it would seem for reasons of domestic politics and party tactics. The attitude in Norway, as in Sweden and Denmark has consistently been that a nuclear-free zone which is strictly limited to the territory of the four Nordic countries is not acceptable. However, within the ruling Labor Party there are groups, not least in the party's youth association, who now consider that such an arrangement could turn out to be useful as a step toward something bigger and more comprehensive in the future. However, party leaders and the government have obviously no intention of supporting their arguments. They stick to the demand that areas bordering on the Nordic countries--principally the Kola Peninsula and parts of the Baltic coast--must also be part of a planned zone. Such a future zone project would, in the Norwegian view, also have to be carried out in such a way as not to weaken Norway's connection with Europe's larger security system.

The ideas for solutions in a broader European context which Nordli put forward in his New Year's speech were therefore seen as an alternative to a direct rejection of the wishes of the party's internal opposition.

But what do these "broader solutions" mean? It is clear that Norway's NATO allies have also asked themselves this question and the Norwegian authorities have been forced to explain themselves and their ideas both in Oslo, Washington and other capitals.

Norwegian Foreign Ministry Undersecretary Johan Joergen Holst has in this context reminded us of the negotiations on nuclear arms problems in Europe which Norway among others made a condition of its compliance in the 1979 resolution on the so-called Euromissiles. Contacts have already been made between the two superpowers. And Holst also thinks that, in connection with such negotiations, prohibited and restricted zones for nuclear arms [foerbudsoch uttunningszoner foer kaernvapen] in Europe will also be mentioned. Within the framework of such possible future arrangements it is thought that the problems of the Nordic countries would also find a solution. One possibility seen is that the Soviet Union would agree to limit or withdraw those of its nuclear arms with a range sufficient only for targets in the Nordic countries.

What the Labor Party has been trying to set in motion with its manifesto proposals for nuclear-free zones, said Norwegian Defense Minister Thorvald Stoltenberg in a statement to SVENSKA DAGBLADET, is not only a political process, but also a process of ideas.

Seen in this way the Norwegian initiative has, of course, much more than merely domestic or tactical dimensions. In the last few days Johan Joergen Holst has been informing the new administration in Washington of the anxiety over the nuclear arms race which Norway feels. It is, he pointed out, the departure point for the present debate. And against this background, people in Norway are now finding it reasonable to discuss possibilities which in the past were seen as impossible to realize.

It has already been claimed that the Norwegian debate on the zone issue has hardly brought the plan for a nuclear-free Nordic area as it was originally intended--that is, only for the Nordic countries--any closer to realization. Reaction in Sweden and Denmark, as in the Soviet Union, has been extremely reserved, not to say skeptical and occasionally directly negative. However, if the Norwegians actually do succeed in generating a response for a serious attempt at a solution "in the broader context" which has been outlined above, the critics will have to pause for thought before they come running with their disparaging comments. But how things will go with this little "if" in the present world situation, we will have to wait some time to find out. And thus we will also have to wait for the answer to the question whether we are here dealing only with visions, or with something that could also exist in the real world.

CSO: 3109

THEATER FORCES

FINLAND

GENERAL PAJUNEN: UNREALISTIC TO ASK USSR IN NUCLEAR-FREE ZONE

LD230947 Helsinki HUVUDSTADSBLADET in Swedish 18 Feb 81 p 18

[Report by Erik Appel: "Norwegians Should Be Careful Not To Play With the Big Kids"]

[Text] "Although I have a Norwegian father-in-law, I have nevertheless always considered the Norwegian nobel committee to represent the peak of international naivety."

"In foreign policy one should always be careful, study the situation, keep a card up one's sleeve."

"When the international situation worsens, a little state should lie low. It should not get involved in the big kids' games."

These statements were made by Defense Ministry section chief, Lt Gen Aimo Pajunen in a frank interview for the cooperative movement's magazine ME by Kari Varvikko.

In the interview the Norwegians' foreign affairs skill is called into question by implication. Lieutenant General Pajunen, who is generally considered to be one of the most security policy thinkers in the [Finnish] defense forces, explained among other things that he did not want to get involved in criticizing Norway, but said that it is interesting that the decision to stockpile U.S. arms was taken during a time of deterioration in the world situation.

"The Norwegians made a move when the Afghanistan situation arose. Norway needs to preserve good relations with the Soviet Union too, but for some reason this has never really succeeded."

Contingency stockpiling was a Norwegian initiative, Lieutenant General Pajunen pointed out. The Americans were not interested in it until the international climate hardened.

Pajunen also commented on the Norwegian demand that the Kola Peninsula also should be made part of any future nuclear-free zone.

"This is completely unrealistic. Neither of the leading nuclear powers would agree to such limitations on its own territory," he explained.

He added of the Nobel Committee that its choice of Peace Prize winner has often been utterly wrong. But last year it seemed as if the Norwegian Olympic Committee had overtaken the Nobel Committee in naivety.

We have quoted only the direct statements in the interview. In the rest of the text Varvikko reports views for which Pajunen says that he will not accept responsibility.

For example, the text states that Norway is considered among diplomats a little clumsy in the foreign policy game. The Norwegians are really not good in this sphere. They lack the traditions, they are perhaps unnecessarily frank and honest, and they believe that others are too.

Alva Myrdal's proposal for a limited nuclear-free zone inside the Nordic countries (Sweden would take the first step and Finland would follow) Pajunen finds interesting. It ought under all circumstances to be rejected directly. But half-finished work is never really very good, and one runs the risk that it will remain unfinished, he said.

Aimo Pajunen has had a meteoric career within the defense forces. In 1966 he was a major and commander of a battery at Sveaborg. Today he is a lieutenant general and department chief at the Defense Ministry. At the time of his appointment he was the country's youngest lieutenant general.

He became well-known when he was seconded to the Foreign Ministry to head the SALT negotiations organization bureau. He has always been outspoken.

Together with chief of the general staff Ermei Karininen, air force chief Rauno Merioe, Lt Gen Jaakko Valtanen and navy chief Jan Klenberg he is considered to be a strong candidate for the post of Defense Commander in Chief after Lauri Sutela.

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NUCLEAR ATTACK SUBMARINE 'RUBIS' NEARING COMPLETION

Paris TAM in French 24 Dec 80 p 19

[Article by Lt Patrick Gaillardon: "'Rubis,' the First SNA (Nuclear Attack Submarine)"]

[Text] The "Rubis," the first nuclear attack submarine, is nearing completion at Cherbourg. SNA No 2 has been started and will be launched during the summer of 1981, and SNA No 3 will be launched 2 years later. They will be based at Toulon. A nuclear-powered vessel equipped with modern conventional weapons, the "Rubis" will go into service in 1982, taking over from the "veterans"--the diesel-powered submarines.

Enveloped in scaffolding from which the lights of blowtorches glow, laced with kilometers of cables and pipe, the nuclear attack submarine "Rubis" is presently in its completion phase.

In 1972, the first design work, carried out in Paris for 2 years, was continued at the Directorate of Naval Construction and Weaponry (DCAN) in Cherbourg. On 11 December 1976, the first plate for hull No Q 265 was ready. Little by little, the vessel took its "cigar" shape. On 7 July 1979, the last wedge was let go and SNA "Rubis" slipped down a 40-degree slope to its marine element (Cherbourg in fact, is the last shipyard to launch from a slip, or inclined plane). The submarine subsequently went back into the dock to continue its interior outfitting. Construction will be completed in 1981, whereupon the vessel will undergo a series of tests into 1982. If these tests are conclusive, the first nuclear attack submarine will be "ready for active duty."

Nuclear Propulsion and Conventional Weaponry

The "Rubis" is the first of a series which is to consist of five. The outcome of the "SNA 72" project, it is the 85th submarine built by the DCAN of Cherbourg.

At present, the forward half of the "partly alive" submarine is receiving its internal equipment. On the inside of its thick hull, shaped by cold-pressing under 4,000 tons of pressure, layers of wiring and pipelines wind under the flooring and follow the curves of the bulkheads. The locations of the stations, hatchways and crew's quarters are already apparent. Paint partly covers the "metal walls." In the central "navigation operation" station (PC-N0), one sees the housing for the two periscopes, one of which will be of the night-vision type. In the forward part of

the vessel, the torpedo "bin" is in place. Five cells on the port side and another five starboard feed four tubes which can launch 14 modern torpedoes against submarines or surface vessels, and later, dual-environment SM-39 missiles against surface targets. Mine-laying is also a possibility for the SNA.

The after half, devoted entirely to propulsion, is already "running" on the "Rubis." The energy is furnished by a 48-megawatt nuclear boiler composed of an integrated "reactor-exchanger" set capable of natural circulation. The nuclear boiler was designed and built by the Atomic Energy Commission (CEA), with the aid of the Naval Weapons Construction Establishment of Indret. The boiler furnishes steam to two turboalternators which produce the electricity needed for distribution and for the main electric motor. The latter drives a single shaft fitted with a large diameter propeller specially designed for concealment (noise) and making it possible to reach speeds of about 25 knots submerged.

At sea, six men will be necessary for operating the vessel during each watch:

- a watch-chief for propulsion (atomic specialist);
- a reactor operator*;
- a machinery operator*;
- two "electric-motor compartment" roundsmen.

One Bed Each

Habitability and stores have been worked out with a view to autonomy, which can be more than 45 days for a crew of 66. Each will have his own bunk, in contrast with conventional submarines that operate on the "warm blanket" ("banette chaude") system--two beds for each three men. Foodstuffs are stored forward as well as aft; in case of isolation between the two zones on either side of the reactor, the sailors can eat normally. The personnel on board stand one-in-three watches and can do about 135 days of mission at sea per year. A sufficient personnel reserve, in the form of a "fourth third," will enable the vessel to sail 180 days in the year. Nuclear propulsion gives the nuclear attack submarine some considerable advantages over its seniors, the diesel-electric-powered submarines. It gives it sea endurance and mobility that enable it to carry out the usual attack-submarine missions with far greater chances of success by going farther, longer, faster or more secretly. These two qualities also make it possible to intercept and, in particular, to track naval forces: missions which the low speed of diesel submarines makes it difficult or impossible to fulfill. Whereas the diesel submarine would lie in wait for action, the nuclear attack submarine will go after the action.

The DCAN of Cherbourg

Napoleon I was behind the decision to build a naval yard at Cherbourg. The work was started in 1804 and completed 60 years later. Since then, many improvements have been made in what has become the Directorate of Naval Construction and Weaponry of Cherbourg--especially since the end of the last century, when the Cherbourg yard was assigned to build submarines. This mission was confirmed in 1962, when the DCAN-Cherbourg was given the task of designing and building missile-launching nuclear submarines (SNLE's), in 1972 with the submarines of the "Agosta" type, and in 1976

* All three of whom have received nuclear training.

with the nuclear-propulsion attack submarines. Moreover, the studies relative to plastic materials and development of their use for marine purposes have been assigned to it. The personnel comprise about 120 engineers, 230 technicians and 3,950 workers.

The Technical Training Center provides multipurpose training of the skilled-worker personnel needed for the naval yard, and education enabling the most highly gifted to enter careers as Design and Fabrication Technicians and Weaponry Design and Techniques Engineers.

Characteristics of the "Rubis"

Displacement: 2,185 tons (on the surface)
2,670 tons (submerged)
2,265 tons (Geneva)

Dimensions: 72.10 meters X 7.60 meters X 6.40 meters

Speed: 25 knots (46 km/hour)

Crew: 66 men-i.e., 9 officers, 35 petty officers first-class, 22 petty officers second-class and seamen

Machinery: --a nuclear boiler with power of 48 megawatts furnishing steam to two turboalternators;
--an electric motor driving a single shaft;
--a diesel-generator set provides emergency propulsion.

Armament: --four 533-mm torpedo launching tubs which can:

- launch 14 torpedoes or 14 dual-environment SM-39 missiles against surface targets;
 - lay mines;
- submarine detection equipment, with installation and launching control analogous to that of the submarines of the "Agosta" type.

11267
CSO: 3100

JENS EVENSEN URGES NUCLEAR-FREE ZONE FOR NORTH

Copenhagen INFORMATION in Danish 15, 16 Nov 80 pp 9, 10

[Article by Ole Kromann]

(Text) The North encompasses some of the world's most sensitive areas: so says Norwegian ambassador and former cabinet member Jens Evensen, who caused a sensation when on his own responsibility he proposed the North as nuclear-free zone while he was still a government official and top negotiator.

"If an expert on international law is to be unable to express his opinion on, for example, international law on war, on nuclear weapons and their terrible role, and on the effects of the nuclear weapons strategy of the superpowers apparent, among other things, in President Jimmy Carter's so-called 'Directive 59,' who is to be able to express himself? Officials who are experts in certain fields should feel a responsibility for the society in which they live, so that not only may they speak, but now and then have the duty to do so."

Snow drifts down silently outside the windows of the Foreign Ministry, veiling the view toward the naked trees of the Palace Park on the other side of Drammensveien; the thermometer creeps above zero, and behind the modern facade of the ministry the problems of a threatening cold war are being dealt with. Foreign Minister Knut Frydenlund is preparing to depart for the Madrid security conference; in front of the main entrance chauffeurs wait in shiny diplomatic cars, and at a huge round table on the second floor, Ambassador Jens Evensen strongly defends and expounds upon his controversial proposal for a nuclear-free North.

Within a few hours a Soviet delegation will sit down at the same table to discuss problems in the northern areas. On 3 and 4 December, Norway and Denmark will seek a solution here to the sea borders between Greenland and Jan Mayen.

Career

Until 1 January 1979, he was the world's only law-of-the-sea minister. Since 1974 he has been the dynamic center of the so-called "Evensen Group," consisting of about 40 international law-of-the-sea experts. His ability to bring debates through critical phases with patience and humor is legendary. He is described as being unorthodox, full of ideas, and receptive to the viewpoints of others. He is a radical who does not ride hobbyhorses, and one would have to search a long time for a less bureaucratic official. He has practiced as a supreme court attorney, is an

expert on international law, the law of the sea and oil problems. He has lectured at Oslo University. He has a law doctorate from Harvard University.

In 1967, as chief of office in the Foreign Ministry and an expert on international law, he cited the Greek colonels junta to the Human Rights Court of the European Council, and today he counts a number of prominent Greek resistance people among his friends.

In 1973--the year before, as a social democrat since his youth, he received his membership card in the Norwegian Labor Party--he became trade minister. He is the architect of the juridical basis of the participation by international companies in the Norwegian oil venture. It is not least to his credit that Norway established its 200-mile zone in January 1977, assuming the right to and responsibility for one of the most valuable fishing areas in the world, "Europe's food cupboard" for proteins. In his office he has struggled with the problems of the Norwegian continental shelf, which, with almost 1.5 million square kilometers, is the largest in Europe and one of the world's richest sources of oil and gas.

Time again in international forums he has emphasized the frightening prospect of a free-for-all fight in a seabed Klondike if international law is not applied to the bed of what was once called the free sea. Seabed mining for exploitation of the enormous value of the so-called nodules--mineral clumps containing nickel and copper--raises problems similar to those of the race by the European great powers for colonies in the Third World in the 19th century. The colonialists of our times have at their disposals terrible weapons of destruction, however.

The Morning Sprinter

Our conversation takes place on the anniversary, 11 November, of World War I, with its 10 million dead. We are in the 35th year after the end of World War II, with more than 50 million victims, and we are in the middle of what the conflict researcher Johan Galtung calls "World War III," with up to now 135 large or small wars and 25 million dead. Every 18th day a Chinese nuclear cloud drifts in over Scandinavia, and "the merchants of death" are as busy as ever.

For half of the year Jens Evensen travels--the Law of the Sea conferences alone require 4 months--and the nonsmoking careful drinking ambassador gathers physical strength for arduous intellectual efforts through daily jogging or ski trips and regular visits to training centers. He goes to bed early and rises with the chickens. It is told of him that during the 1974 Law of the Sea conference in Venezuela, his Venezuelan bodyguards gave up following "the crazy Norwegian minister" on his morning sprints in the parks of the capital.

A Nuclear-Free North

The reaction to Jens Evensen's "nuclear speech" in the Norwegian Federation of Chemical Workers was what the chairman of the Social Democratic youth organization, AUF, called "hysterical, incomprehensible, and in conflict with what the common man or woman thinks in our country." The chairman of the Federation of Chemical Workers said that the 4000 members of the federation would support Jens Evensen if attempts were made to gag him. From Helsinki, Foreign Minister Knut Frydenlund

(during King Olav's official visit to Finland) expressed his disappointment over Jens Evensen not having talked with him first.

The day after our conversation, Finnish President Urho Kekkonen advocated "reserve in the military-political development in the North. Increasing tension in this area could destroy much of what we have gained since World War II," he said. The president thought "the strategic development and the competition between the superpowers is beginning to be felt in the North," and his Soviet colleague followed this up by expressing a desire for the North as a zone free of nuclear weapons.

Polish Foreign Minister Rapacki, in the United Nations in 1957, was the first to propose a zone free of nuclear weapons in central Europe. In 1961 the Swedish foreign minister and professor of international law, Osten Unden, followed in the United Nations with his analysis of zones free of nuclear weapons in the North, whereupon Urho Kekkonen presented his first initiative for a nuclear-free zone in the North in 1962 during the cold war period. Since that time he has, to the increasing irritation of Norwegian Social Democratic governments, returned to the subject, most recently in connection with West German troop exercises in northern Norway.

A demand for a nuclear-free zone in Norway, in the opinion of government circles is tantamount in principle to demanding a reassessment of relations with NATO. This is the psychological explanation of the political reaction to Jens Evensen's proposal, as well as the fact that the proposal came from an official highly placed in the power structure and one who is at the same time the chief negotiator with the Soviet Union on problems in the northern areas.

Nevertheless, Jens Evensen enjoys fantastic popularity inside and outside the Labor Party, and in 1978 the readers of a large nonsocialist newspaper chose him as "man of the year." After his latest proposal flowers, telegrams and letters poured in. In Labor Party circles in a large municipality in the Oslo area work is now under way to get him elected to the Storting in the election next year.

A Blast From the Time of Absolute Royal Power.

Today Jens Evensen speaks angrily of "a blast from the time of absolute royal power if an official is not in principle to be allowed considerable freedom of speech."

[Question] But there are others who think you should no longer be the chief negotiator concerning the northern areas?

Jens Evensen laughs loudly.

[Answer] "I could understand it if my criticism applied only to one of the superpowers. I am very sceptical of both superpowers, in particular as regards disarmament questions. They have to themselves the position in the world that it is they, primarily, who are to discuss arms limitations and disarmament, while others are more or less kept out. This is not tenable."

[Question] It has been asserted that the fact that as of next summer Norway can participate on the ministerial level in meetings to establish EC foreign policy is due to a desire for better balance with the United States.

[Answer] "I do not wish to comment on that. We have all noted a certain desire for liberation in the EC in relation to the United States. To some degree this is due to disagreements between persons, to some degree to disagreements on real questions. I do not wish to comment on this. As concerns Norway, our foreign policy has assumed new dimensions because of our geopolitical situation and our position as one of the world's leading exporters of oil. To Norway it is essential that we carry on a relatively independent foreign policy.

"Aside from certain areas in central Europe, not only land areas but ocean areas as well in the north are some of the most politically sensitive in the world. This places very special demands upon our foreign policy.

"Not only in the Labor Party but in Norwegian party politics as a whole a certain elite philosophy has arisen concerning foreign and security policy. According to this philosophy these areas are too difficult for the ordinary Norwegian citizen.

"This is not as it should be because in my opinion it is tantamount to saying that democracy is a mistake. The Norwegian citizen must be made aware of what has happened during the past 10 or 15 years, in the development of nuclear weapons and the entire technological revolution and the seriousness of it.

"This is no elite debate and should not be so. The purpose of our book (the recently published 'Nuclear Weapons and Insecurity Policy') is to make people understand the truth about nuclear weapons and form their political attitudes in accordance with this. The people must be involved in making decisions on such essential questions."

[Question] One gains the impression that the Norwegian press would rather discuss our relations with the government and the party than your proposal for a nuclear-free zone in the North.

[Answer] "I believe that some of the mass media have to some degree failed in their task. They have been a little too rancorous and too one-sided, and have attempted to put tags on people who may think differently. This is something I have lived with since I cited the Greek military junta.

"The many intimations of sympathy I have received recently have made me think that it would be very wise politically for the Labor Party to include in its program the concern about nuclear weapons and the Europeanization of a possible nuclear war. I believe that the Labor Party would then make progress once more."

Jens Evensen speaks warmly of participation by youth in protests against nuclear power plants, and he understands this, because safety problems or what is to be done with waste materials have not been mastered. The problems of nuclear power plants are slight, however, compared to those of some 60,000 nuclear warheads found in the world today.

Nuclear-Free Buffer Zone in Europe

"Even if disarmament becomes a reality, what are we to do with the 60,000 nuclear warheads? I understand that some young people cannot take any more and resign from society through drugs and alcohol. They should rather begin to fight for peace.

"My proposal for a nuclear-free North really goes farther. It also applies to a zone without nuclear weapons down through Europe, but I believe we should begin with the North. My proposal is based on the action program of the 1978 UN disarmament conference, and brings in new elements which can strengthen the work for relaxation of tensions and the relaxation of tensions philosophy.

"We must have a kind of buffer zone down through Europe. It is high time. I include elements of the Rapacki plan: Poland, East Germany, West Germany, and Czechoslovakia, possibly also the Netherlands, Belgium and Luxembourg. It would be natural to include Austria and Switzerland, already declared free of nuclear weapons, and Yugoslavia and Greece, and perhaps Bulgaria and parts of Turkey.

"You may say that this is wishful thinking, but are not all new ideas wishful thinking? It would be natural to begin to discuss these questions, at least in the North. I also include the Baltic, not as a 'sea of peace,' but as a sea free of nuclear weapons. This is very important, for then we should have a bridgehead over to Poland, the GDR, and West Germany. I believe Poland would be ripe for such ideas just now."

[Question] It is asserted that if nuclear weapons are not allowed in Norway and Denmark in wartime, one might as well abandon NATO.

A Nuclear-Free Zone Calls for Increased Conventional Defense Forces

[Answer] "I quite disagree with this. Much of the strategy we are planning for Norway--I am not familiar with Denmark's--is based upon World War II. It will not be a matter of a 'Battle of Britain' with heroic pilots wearing silk scarves.

"A prototype of an agreement on a nuclear-free North would be the Tlatelolco accord on a nuclear-free Latin America, with an obligatory guarantee by nuclear powers not to use nuclear weapons against this zone. As concerns the North, the nuclear powers must also pledge not to threaten to use nuclear weapons, meaning that there must not be Soviet SS-20 missiles, for example, programmed for Norway and Denmark. The International Atomic Energy Agency in Vienna is to have the opportunity to check on observance of such a treaty.

"Nobody should believe that I mean that Norway should be laid open. I think the Western world has made a great error: we have probably let the Eastern bloc countries gain a certain preponderance regarding conventional weapons. This means that in a critical situation NATO will probably be the first to use nuclear weapons. This is a serious situation, but it is all too easy to interpret President Carter's 'Directive 59' to mean that the United States is seeking to gain first-strike ability. It is no easy way out for Norway to work for nuclear-free zones, and I believe that in any case we must strengthen our conventional attack until reinforcements arrived."

[Question] But if war comes to a nuclear-free Norway as a NATO member, will Norwegian airfields nevertheless be used for intermediate landings for nuclear attacks deep into the Soviet Union?

[Answer] "This is not true without qualifications. In the first place long-range aircraft are available and, for example, the so-called cruise missiles. In the second place, I do not believe airfields will be available for landing in the event of a big war. Norway as a member of NATO is of importance only in the event of a

conventional local war. In the event of a nuclear war it plays no role whether or not there are nuclear weapons in Norway. Nuclear war does not last for years, perhaps only for a day before the opponents have annihilated each other."

The Gray Zone

[Question] Calling for assistance in a "crisis or war situation" is spoken of. But what is a "crisis"--the gray zone between war and peace?

[Answer] "This is a very difficult and dangerous question. In the first place, who decides that a situation of crisis exists? Is it Norway itself? In principle it should be Norway, but Norway being a NATO member, in a situation so critical it is imaginable that NATO decides for us that a crisis exists. I believe that in a crisis situation the presence of nuclear weapons in Norway would be so dangerous that it would cause a nuclear war. I am afraid that the Soviet Union would not view this with equanimity. The shortest road to Moscow and Leningrad passes over Norway.

"In my opinion--and it can be wrong, of course--the Soviet Union fears war as much as we do. In addition, the people of the Soviet Union now have more to live for. They have no dream of a Great Russia that will rule the world; they have enough to do running their own affairs."

[Question] There have been examples of more or less artificial crises having been created in the Nordic area.

[Answer] "If the hysteria reaches a certain point, one must ask: who is creating this hysteria? Perhaps there are some whose purpose it suits to create this hysteria and decide that it constitutes a crisis. Will it always be the Norwegian authorities? Or will there be a pressure from without which cannot be withstood?

"I believe a nuclear-free zone would be a much clearer and more politically safe line for peacetime as well as for war. One would have to accept the consequences of this by strengthening NATO conventional defenses."

Neither Red Nor Dead

[Question] In his book "Atomic Weapons and Insecurity Policy," Alva Myrdal writes that the Nordic countries might fight one another if war comes.

[Answer] "I shall not talk war situations, but we should realize that Finland's existence depends upon a balance in the North. Read Article 1 of the friendship treaty between the Soviet Union and Finland. The question of balance in the North is serious, and is one of the considerations behind my proposal for a nuclear-free zone in the North and in Europe.

"Nuclear weapons are only a means of defense as long as they are not used, but the moment war comes it is no longer a matter of defense but of total destruction. It is said that in a nuclear war we shall be bombed back to the stone age. This is not true, however, for in the stone age one had at least an untouched environment. In a nuclear war we shall be bombed back to the time when the earth was a ball of fire. Nor do I believe that a North free of nuclear weapons would survive a nuclear war.

"Naive people have said to me: 'You must be one of those who would rather be red than dead.' One can smile at such a statement, but then I think: let me answer. I have lived a full life, and I cannot imagine life under a dictatorship. We ~~must~~ all die, death is as natural as birth, but the question is posed incorrectly. There is a third alternative. We shall be neither red nor dead; we should fight for disarmament. My proposal for nuclear-free zones can possibly contribute to this," says Jens Evensen, getting ready to talk about fishery zones with a Soviet delegation.

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THEATER FORCES

NORWAY

HOLST WARNS OF DANGERS IN JOINING NUCLEAR-FREE ZONE

Oslo AFTENPOSTEN in Norwegian 22 Jan 81 p 14

[Text] Under Secretary Johan Jorgen Holst in the Ministry of Foreign Affairs clearly warns against trying to establish an isolated nuclear-free zone in Scandinavia apart from European security arrangements as a whole. Holst, in an article written for the Norwegian Atlantic Committee, maintains that such a zone can only be established as part of a broader arrangement to limit nuclear weapons in Europe. In this connection, he advocates reducing and limiting the placement of Soviet nuclear weapons aimed primarily at targets in Scandinavia. "We should not demand a completely nuclear-free Kola Peninsula," writes Holst.

"Any agreement on limiting nuclear weapons in Europe must also include decisions about the geographic area in which they may be used. This is where zones may provide possible solutions. Within the framework of an agreement concerning the area of Europe as a whole, we would probably have to establish nuclear-free zones as well as nuclear-limited zones.

"According to our understanding, nuclear-free zones would be specifically defined areas in which the placement of nuclear weapons or certain specified types of nuclear weapons would be prohibited.

"Our understanding of nuclear-limited zones would be areas in which there would be limits on the number and types of nuclear weapons," writes Holst and continues: "Since Norway, in particular, has been involved in negotiations to limit and prevent the placement of long-range nuclear weapons in Europe, it stands to reason we would also be willing to accept responsibility in connection with a comprehensive agreement to limit such armaments. In this connection, Norway could lobby to make Scandinavia a nuclear-free zone within a comprehensive agreement concerning Europe as a whole."

Under Secretary Holst writes that the Soviet Union should not be allowed to include long-range strategic weapons in an agreement to limit the placement of nuclear weapons in Europe. These weapons are included in the SALT negotiations. For this reason, we should not demand that the Kola Peninsula be designated a nuclear-free area.

"But there is a need to reduce and limit the placement of such nuclear weapons in the military district of Leningrad which primarily threaten targets in Scandinavia and which are not included in the superpowers' balance of long-range nuclear weapons. Hence, it would be desirable to dismantle the two bases featuring 10 launching ramps for medium-range SS-5 missiles south of Murmansk and to prohibit the replacement of these with SS-30 missiles.

Missile Brigades

"Next it would be desirable to have the Soviets withdraw the SS-1 SCUD missile brigades (300-kilometer range) as well as the SS-12 SCALEBOARD missiles (900-kilometer range) and to prohibit the replacement of these with the SS-23 (500-kilometer range) and the SS-22 missiles (1,000-kilometer range).

"It would likewise be desirable to establish limits on nuclear weapons associated with tactical planes and heavy artillery. In other words, a comprehensive agreement should also include a limit on nuclear weapons that are not of intercontinental range in the military district of Leningrad.

"The actual formulation of limits that would apply to the nuclear-limited zones within a broader agreement would, of course, be established through negotiations. Hence, the long-term goal should be a regulatory arrangement to limit the placement of all nuclear weapons in Europe. Therefore, in the 1980's Norway should be actively engaged in trying to obtain agreement on comprehensive regulations to limit nuclear weapons in Europe through which Scandinavia would be designated a nuclear-free zone as part of a broader agreement concerning all of Europe," writes Under Secretary Holst.

According to Holst, such a solution would be in agreement with the following key Norwegian security interests:

Prevent and limit the placement of nuclear weapons in Europe.

Validate and strengthen Norway's position as a nuclear-free area.

Preserve Nordic ties with European security arrangements as a whole and thus avoid Norwegian and Nordic separation.

Preserve ties with NATO with respect to defense and guarantees.

Limit the threat of nuclear weapons aimed at Norwegian territory.

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CSO: 3108

THEATER FORCES

NORWAY

TROENDELAG COMMANDER COMMENTS ON STOCKPILING SOLUTION

LD241317 Oslo AFTENPOSTEN in Norwegian 17 Feb 81 p 5

[Interview with Major General Leif K Lundesgaard by Erling Koldaas: "Total Defenses Strengthened"]

[Excerpt] "I am happy that the debate on the contingency stockpiling of U.S. military equipment has ended, and I think that the solution chosen will mean military reinforcement for Troendelag," said Major General Leif K. Lundesgaard, chief of Troendelag District Command and thus the man who will have the practical work connected with stockpiling the U.S. military equipment. And, Lundesgaard stated apropos the debate which has gone on, "The stockpiles will be so small in comparison with the Norwegian ones already in existence that they will not mean any special danger of bomb attacks in a war situation."

"I can fully understand the security policy assessment which the government based its decision on," Lundesgaard pointed out, "and see the decision in no way as a retreat. Stockpiling equipment for a new Norwegian brigade in northern Norway has created the possibilities for swift reinforcement of this part of the country too, and the U.S. forces would fill a vacuum in our territory."

"The defense high command expressed a desire at an early stage for stockpiling the U.S. equipment in northern Norway and I supported this view. However, an acceptable military solution has been found."

The Troendelag district command chief rejects the idea that the new stockpiles would be priority bomb targets in a war situation. "They will be too scattered and be too small to have too much attention sacrificed on them. The most exposed targets in any conflict would be harbors, communications centers and especially airfields."

In this connection Major General Lundesgaard stressed that the most important military airfields in Troendelag, Vaernes and Oerlandet, will be strengthened through the contingency stockpiling agreement and equipped with the most modern missile systems. "This solves an old and serious problem for us," he said, "and the improved version of the Hawk missile will create big problems for any attacker."

THEATER FORCES

NORWAY

BRIEFS

NATO STRENGTH TARGET--Norway does not fulfill NATO's strength targets as approved by NATO defense ministers. With this in mind it is cold comfort that several other countries do not do so either, Major General Ole Mioen said in an address to the Oslo Military Society yesterday. Major General Mioen, who is the Norwegian representative on NATO's Military Committee, took as the point of departure for his address the Soviet military buildup and compared the situation today with the Soviet strength level 10 years ago. Against the background of problem areas in the international scene, namely, Afghanistan, the Middle East and Poland, General Mioen said that there was good reason to take a closer look at Norway's obligations to NATO, and not only the benefits we derive from it. The international view is that Norway's economic situation makes it possible for us to fulfill the strength targets we had a hand in approving, Mioen said. [Excerpt] [LD121625 Oslo AFTENPOSTEN in Norwegian 10 Feb 81 p 9]

NUCLEAR-FREE ZONE--"The words referring to support for the work for nuclear-free zones are included in the Labor Party manifesto so as to invite the active production of ideas for detente and disarmament. They do not represent a desire to become locked in definite patterns or chained to absolute demands. Because we want to give impetus to a process through our proposal, it goes without saying that there is no question of declaring the Nordic countries, or Norway for that matter, to be a nuclear-free zone," Norwegian Labor Party chairman Reiulf Steen said at Oslo Labor Party's annual general meeting yesterday evening. He pointed out that the Nordic countries are already nuclear-free. But the question could arise of offering to fix this fact by treaty, as an impetus to help hinder further rearmament with both conventional and nuclear arms and toward subsequent reduction in the numbers of both types of arms in a broader European context. [Hans L. Ruhs] [Excerpt] [LD190853 Oslo ARBEIDERBLADET in Norwegian 14 Feb 81 p 7]

CSO: 3108

POWER AUTHORITY TO CONSTRUCT PEAT PLANT IN JYVASKYLA

Helsinki HELSINGIN SANOMAT in Finnish 13 Jan 81 p 8

[Article: "Imatra Power To Build Large Plant in Jyvaskyla"]

[Text] Jyvaskyla (HS)--Jyvaskyla's largest peat plant will be built by the Imatra Power Company. The city council finally agreed on the matter, which was said to be economically and in principle the largest matter ever before Hyaskyla city government.

The Imatra Power Company [IVO] held a briefing for the council members on Monday a couple of hours before the session, but word of it did not reach all groups on the council. The IVO said it would build specifically a peat plant, and that the 60/120-megawatt plant would cost 270 million marks.

The Jyvaskyla city council in its decision required that the best and newest techniques for reducing harm to the environment be utilized in construction of the plant and that the city preserve the employment positions in its own power plant even during the changing situation.

The decision was made by the new council, which for the first time is led by a woman. The first deputy chairman, member of parliament Helena Pesola, gavelled the great matter to a close after the council had spoken at length about harm to the environment from the plant.

The city of Jyvaskyla and the IVO have agreed that 50 percent of the fixed price for heat will be tied to the wholesale price index and that the effect of increases in the wholesale price of electricity will be taken into account in obtaining heat and electricity.

Wholesale electricity will be obtained from the IVO at normal tariff rates, and concessions in the agreement will be entirely in the price of long-distance heat. Part of the concessions in the agreement will be passed on through tariffs on electricity sales to all city residents.

The total effect of the agreements on joint costs of obtaining electricity and heat through the year 2000 was explained through feasibility studies prepared by Ekono and distributed to the council members.

INDUSTRY MINISTER SKYTOEN DISCUSSES NATURAL GAS PLANS

Oslo ARBEIDERBLADET in Norwegian 31 Jul 80 p 6

[Article by Per-Arne Bjerke: "Minister of Industry Lars Skytoen: The Statfjord Gas Should Be Brought Ashore in Norway"]

[Text] "Natural gas from the Statfjord field should be brought into Norway." That is what Lars Skytoen, minister of industry, said to ARBEIDERBLADET. The issue of bringing the gas ashore is now under deliberation. The administration will submit its report to the Storting before Christmas. The representatives elected by popular vote will finish dealing with the matter during the spring session.

The project involving bringing the gas from Statfjord ashore has been called the greatest industrial project ever undertaken in the history of Norway. At present there is a committee at the under secretary level headed by Trygre Tamburstuen, on an inspection tour in the Vestlandet to study possible landing sites. Three locations have been under consideration: Karsto in North Rogaland, Sotra and Mognstad in Hordaland. At the same time, Great Britain has been mentioned as an alternative. According to information from the minister of industry, however, there is very little indication that the natural gas will not be brought ashore in Norway. Where in the Vestlandet, however, it is too early to say, says Skytoen.

"The natural gas concerns the establishment of many future industries here in the country. I have no doubt that this will be one of the greatest challenges Norwegian industry has every undertaken. The Statfjord gas means new and interesting development possibilities for our industry. And I hope that the committee report that is now being prepared will give us the basis for agreeing to bring the gas ashore in Norway."

[Question] Which companies will be involved if the oil is brought ashore?

[Answer] "The department has for a long time been in contact with Statoil, Norks Hydro, Saga and Dyno. I do not know what conclusions the companies will come to when it comes to bringing the oil ashore. Therefore, it is also too early to say who will be in charge of these great development tasks."

The minister of industry emphasized that it is necessary to put aside the group interests that up to now have tended to characterize the debate about bringing the gas ashore.

"The most important thing now is that we work toward a basis that makes it possible for Norway itself to handle the enormous gas findings in the North Sea," said Minister of Industry Skytoen.

- a) Caption: The Statfjord gas should be brought ashore in Norway, affirms Minister of Industry Lars Skytoen.

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PLAN WOULD REDUCE OIL SHARE OF ENERGY BUDGET

LD2300817 Helsinki HUFVUDSTADSBLADET in Swedish 18 Feb 81 p 6

[Report by Olle Ekstroem: "Swedish Plan To Replace Oil"]

[Text] Stockholm--The overall goal in the energy policy proposal which the Swedish Government finally presented to the Swedish Riksdag on Tuesday [17 February] is to reduce Sweden's oil dependence. Today oil accounts for 70 percent of Swedish energy supplies. In 1990 the percentage will be down to 40.

According to the proposal oil imports in 1990 will remain at 14-17 million tons, against today's imports of 27 million tons every year. This reduction will be possible partly through measures specifically aimed at replacing oil by other fuels, 9 million tons and partly through energy saving programs.

According to the plan coal will replace 3 million tons of oil. Further, domestic fuels such as forest waste and peat will account for oil savings of the same magnitude, and alternative sources of energy, solar heating and pumped heat are estimated to be able to replace 1 million tons of oil per year.

One million tons of oil will also be saved through increased use of electricity for heating. Stockholmers will save 1 million tons of oil with a new heating system, which looks as if it will be a controversial hot-water tunnel from Forsmark nuclear power station in northwest Uppland.

A new state energy bureau will commence work on 1 July 1982. It ought then to be possible to decide the question of a special energy ministry.

The government proposal only covers the period to 1990. It is unrealistic to work with longer-term plans. This means that the proposal does not contain plans for how the 12 nuclear power stations, which according to the referendum last year will be operational, can be replaced when the program to run them down starts at the end of the nineties. However, the government says that Tuesday's proposal creates the necessary preconditions for such a rundown.

On the question of the nuclear power stations the plan says that inner contingency zones of 12-15 km from the nuclear power stations will be set up.

There are to be evacuation plans and so on for the areas within each zone. In addition to the inner contingency zone there is also to be an indication zone (indikeringszon) around the nuclear power stations of 15-20 km, which will contain equipment for the swift measurement of radiation.

Improvements in safety at nuclear power stations will also continue to be made, first with a so-called filter chamber at Barsebaeck. The chamber will filter out as much radioactivity as possible in the event of a possible radioactive emission.

For coal to be able to replace 3 million tons of oil in 1990 it will be necessary to have 4-6 million tons of coal imported a year. Stipulations for environmental protection will be less stringent than the environment ministry had wished.

Similarly energy from wood, straw and peat will replace 3 million tons of oil.

Two real bones of contention within the three-party government have been the hot-water tunnel from Forsmark to Stockholm and possible future uranium mining at Pleutajokk in Norrbotten. At the present time the government has not reached a final decision on these questions.

CSO: 3109

EUROPEAN PARLIAMENT INVOLVED IN BUDGETARY CONFLICT

Brussels LE SOIR in French 10 Jan 81 p 5

[Article by P. L. and S. de W.]

[Text] This Friday morning is when the Belgian Government will determine its position in its budgetary quarrel with the European Parliament; the position taken until that time was described by Mr Nothomb on Thursday as "interim." Mr Charles-Ferdinand Nothomb, minister of foreign affairs, and Mr Guy Mathot, minister of budget, explained the position taken by Belgium thus far in this matter during a joint meeting of the Foreign Affairs Commissions of the Senate and Chamber of Representatives.

We have learned from a parliamentary source that a certain consensus has developed in favor of the government modifying its position, but without Mr Martens' administration suffering a loss of credibility. Some members of parliament have suggested that the Belgian Government should take the initiative to hold an informal meeting--the word "compromise" should not come up in view of its pejorative connotation for the Belgian ministers--between now and next Wednesday.

In Strasbourg on that day, in point of fact, the Netherlands, which is taking over the chairmanship of the European Community for the next 6 months, is scheduled to report its intentions to the European assembly through Mr Van der Klaauw, minister of foreign affairs. It is now certain that this report will touch off a general debate in which the budgetary issue cannot fail to be mentioned.

Some people are also wondering whether this Dutch chairmanship would not be vital to Belgium as a natural mediating circumstance to permit Brussels authorities to pull out of the situation honorably. Besides the traditional Benelux similarities, the Netherlands had also agreed with Belgian criticism of the budgetary procedure used by the European Parliament. However, they gave in later on the issue.

In any case, it is clearly apparent from the remarks which Mr Nothomb and Mr Mathot made to the press, following that meeting, that the Belgian Government intends to do everything to avoid a serious crisis with the European Parliament.

"From its standpoint, the Belgian Government has taken the wisest position in this matter thus far. And on the European level, it is trying to be as positive and as pragmatic as possible," Mr Nothomb explained.

It may be concluded from Mr Mathot's remarks that the government intends to make its decision contingent on the overall development of the community's budgetary problems, particularly those which will arise in 1982. In brief, there is the intention to state the issue in its broadest context.

In passing, Mr Mathot doubted that there was a direct link between the additional credits determined by the European assembly and the social aspect of the iron and steel industry, which was one of Belgium's stock arguments.

The two ministers also considered it inappropriate to appeal to the Court of Justice, which would only result in further crystallizing the positions.

The two Belgian ministers also found themselves questioning the legality of the arguments used by Belgium to oppose the European Parliament's request for additional credits. Belgium noted that the three arguments, of an unavoidable, exceptional and unexpected nature, were not brought together. But some members of parliament, with a supporting legal text, retorted that just one of these criteria was adequate and, in their opinion, it is difficult to deny that the social expenditures requested by the European Parliament do not take on an "unavoidable," indeed even an "exceptional" character.

France Remains Firm

If Belgium seems to be starting to take a smooth turn to move closer to a reconciliation with the European Parliament, like Germany, which will take a final position on 21 January, in Paris on the other hand, Mr Raymond Barre is holding firm in positions. Before the "Forum of Expansion," the French prime minister rejected any notion of compromise in the matter of the European budget. "If we put our fingers into an operation of this kind, we would get completely involved in it" and "we would contribute to the financial tyranny" of the European assembly.

After recalling that France wanted European institutions "to stay within the limits of their authority," Mr Barre said that he had noted "evidence of sudden generosity" in the attitude of the European assembly, but also "a deviation in procedure." This is, he recalled, "not a legal problem, but a political problem."

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CSO: 3100

MELLBIN, FORMER UN AMBASSADOR NAMED TO NATIONAL SECURITY COUNCIL

Copenhagen BERLINGSKE TIDENDE in Danish 16 Oct 80 p 7

[Article by "PM": "Experienced Diplomat on the National Security Council"]

[Text] Ambassador and foreign affairs counselor Skjold Gustav Mellbin, the chairman of the Security and Disarmament Council recently established by the government, is one of the Foreign Ministry's most experienced and astute diplomats, and he is very knowledgeable on all of the most important international questions.

In addition to having held a long series of positions abroad, the 54-year-old former ambassador has represented Denmark in the UN in New York, and in 1967-68 he was on the Security Council of the UN when Denmark was a member. The other deciding factor in getting him appointed to the new security position instead of someone else is the fact that Mellbin was the leader of the Foreign Ministry's delegation to the initial discussions of the security and cooperation conference in Helsinki, and that he subsequently was a member of the delegation on the foreign-minister level in 1973, when he was the man to whose lot it fell to speak vigorously, on behalf of the nine Common Market countries, for human rights as one of the most important subjects relaxation of tensions in the world could be concerned with. In all of his activities, Mellbin has been known for his humanistic attitude. In the 1960's, he made such a vigorous attack on Portugal's colonial policy in Africa that Portugal protested extremely sharply, but to no avail. The fact that Mellbin also was the leader of the second phase of the security conference in Geneva and at the subsequent conference in Belgrade in 1977-78 was regarded as a natural development.

It is an adroit negotiator and international expert on security policy who will head up the new security council, but if one analyzes him Mellbin is a particularly unsnobbish, simple human being who has no interest in superfluous flourishes in conversation. His humanistic views bear witness to his warm heart, and he frankly makes himself a spokesman for the oppressed all over the world.

As something of a curiosity, it can be added that he even had a military title--that of a lieutenant colonel--when he was the deputy chief of the Danish military mission in Berlin. That was necessary because of the occupation regulations. But he does not show any traces of having been infected by the traditional military qualities one normally thinks of, although one safely can assert that Skjold Gustav Mellbin--as the Security Council will learn--is a man of action.

PAPER COMMENTS ON DALSAGER'S APPOINTMENT TO EC POST

Copenhagen BERLINGSKE TIDENDE in Danish 15 Jan 81 p 10

[Editorial: "Choice of Dalsager"]

[Text] Finn Gundelach's portfolio as Commissioner to the EC's Agricultural Affairs is, for good reasons, one of the most desired political posts at the present time. The European Community will, during this and the following years, try to come up with a thorough and lasting reform of the basis for the EC's income and expenditures. The principles for the individual countries' contribution to the EC's budget is under consideration, and the use of the income is being considered for revision. Since 70 percent of the budget expenditures is used to finance the joint agricultural policy, it is clear that any effort to alter the expenditure policy must start by tightening expenses through ensuring European agricultural production. It would have been Gundelach's most important task this year to put forth a proposal regarding changes in the administrative practices which would mean a limitation of the expenditures, but a preservation of the joint agricultural policy as the EC's central political instrument.

With his strong hands and clear mind removed from the task, it is only natural that other EC governments with strong opinions in agricultural and budget policies have wanted to secure greater influence in planning agricultural reforms. In principle, the distribution of the portfolios is the task of the commission itself, and the reaction to the British prime minister's intervention last week shows how much this privilege is appreciated in Brussels. Denmark has no fundamental claims to maintaining the agricultural portfolio through the appointment of a new Danish commissioner. However, the Danish government has, by nominating Agricultural Minister Poul Dalsager as a new Danish member to the EC Commission, knowingly shown that it wishes to keep the responsibility of the agricultural policy in Danish hands. The other EC governments will, in principle, have to assume that the Danish government has its greatest agricultural expert in the post as Agricultural Minister, and the other EC commissioners will, in principle, have to accept that the Danish government as such does its best to replace Gundelach in the post to which he was appointed and sworn in.

We must then wish for Poul Dalsager that he has the necessary strength to perform the very demanding job which he has inherited from Gundelach. He has the professional insight into the problems from his 5 years as Agricultural Minister.

As a chairman of the Market Committee, member of the EC parliament, and not least, of the Minister Council, he is familiar with the work routine of the EC. He also has political experience. Nevertheless, he will need all the willpower and strength, all the clever decisiveness, endurance and perseverance which he can possibly muster, if his contribution is to be favorably compared with that of Finn Gundelach's.

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CSO: 8113/595-b

VAYRYNEN ON COALITION DURABILITY, NUCLEAR-FREE ZONE

Helsinki HELSINGIN SANOMAT in Finnish 6 Jan 81 p 10

[Article: "Vayrynen on Cabinet Cooperation: Don't Bring Down the Government Because of the Feelings of a Moment"]

[Text] Chairman Paavo Vayrynen of the Center Party has warned against dissolving the basis of the present government because of the "feelings of a moment."

He considers a government basis like the present one to be essential. Especially now when, as the economic outlook is weakening, all responsible forces must defend the continuation of broad-based government cooperation with all their might.

Narrow-based government solutions do not succeed for long, because the opposition could prevent them from getting unpleasant matters through parliament, Vayrynen believes.

Foreign minister Vayrynen referred to the changed situation following the oil crisis and said he considers it important that in every party future outlooks should be considered seriously and solutions to coming problems be presented on the basis of their own world view. He said he believes that in the end those views will be very close to each other.

Virolainen To Continue as Speaker?

Vayrynen praised the present harmony within the party he heads. He admitted that in southern population centers there have been setbacks, and for this reason the party intends to consider questions of organization and communication in order to improve the situation.

Vayrynen also said he sees no reason why Johannes Virolainen, former chairman of the Center Party, could not continue as speaker of Parliament.

There have been thoughts among those members of the parliamentary delegation of the KEPU [Center Party] who opposed Virolainen on the issue of the speakership that the speaker should be changed, among things because of Virolainen's recent "whipping letter."

In his "whipping letter," Speaker Virolainen put pressure on the members of parliament to remain at their posts.

Nordi Said Nothing New

Finland will continue to work for realization of President Urho Kekkonen's proposal for establishment of a nuclear-free zone, said Vayrynen.

He said he considers it a good thing that Norway has taken a basically positive position on the nuclear-free zone, even though Norway's position is not in agreement with what the Soviet Union has presented in some details.

So there was nothing new in the New Year's speech of Norwegian Prime Minister Odvar Nordli, when he spoke of "broadening" the zone agreement. Norway has wanted to have the Soviet Union's Baltic areas, and from there an area extending to the Kola Peninsula, included in that zone.

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CSO: 3107

JAN-MAGNUS JANSSON SEES CONTINUED LIFE FOR COALITION

Helsinki HELSINGIN SANOMAT in Finnish 8 Jan 81 p 8

[Article: "Jan-Magnus Jansson: No Government Experiments in Sight"]

[Text] Editor-in-chief Jan-Magnus Jansson (R) [Swedish People's Party] does not think it probable that any party will intentionally start to spoil government cooperation between the center and the left. He considers that obstacles to new government experiments include the inability of parliament's bourgeois majority to cooperate without interruption, which has continually made cooperation between the center and the left "the only possibility for a majority."

Speaking last Wednesday during the conference between the press and the Finnish Banking Society in Helsinki, Jansson examined the discussion that has gone on recently about the future outlook of the present government basis. The discussion was started before Christmas by the chairman of the SDP [Social Democratic Party], Kalevi Sorsa, who said he thought that government cooperation between the center and the left has used up its intellectual resources.

According to editor Jansson, the government coalition of left and center has certainly used up its resources during the past 15 years, or in other words it has exhausted the program for social renewal it originally had. During the period of government cooperation which has continued since 1966, sizable innovations have been made, for example in the areas of elementary education, higher education, national health, regional policy, and pensions. Jansson said he considers the basic ideological background document for this innovative work to be the book by Pekka Kuusi (SDP) which appeared in 1961: "Social Policy in the 1960's."

In Jansson's opinion, the rate of innovations has slowed down since 1975, but it has not stopped by any means. In his opinion the reason for that is the rise in costs since the oil crisis and most of all the citizens' tax protest, which extended to all levels of the population and to all parties.

In his opinion, the protest included more than just an individual attempt to keep for oneself a larger portion of his income. It also represents an ideological re-evaluation.

Innovations Are Now Prohibitions

According to editor Jansson, the desire for innovations has not disappeared from our society, but its focus has shifted to new areas. Current types of innovation are

those aimed at protecting either people or nature by setting limits and prohibitions, in areas such as consumer protection, environmental protection, and prohibitions aimed at preventing antisocial behavior.

In Jansson's opinion, these do not fit into the political nature of nationalfront governments in the same ways as earlier welfare-state type reforms did.

According to him, left-center government cooperation is now based on the fact that it guarantees social peace and successful income decisions.

But Jansson said he does not believe that present government cooperation will end. In addition to the inability of the bourgeois majority to cooperate, another reason for this is that the bourgeois majority in parliament is of a permanent nature. This in turn means that the only opportunity for communists and social democrats to influence government policy is joint government with some bourgeois party.

SKP [Finnish Communist Party] Drops Coalition

Jansson said, in regard to the perpetual opposition position of the coalition, that 15 years of opposition do not by themselves mean anything exceptional. A problem will arise from that if government decisions generally strive for broad-based governments, but a single large party will continue to remain outside the government regardless of its election success.

The possibility that the coalition could be brought into government cooperation with the left and center is precluded by the left's attitude. The SDP will not enter a government without the communists, and the communists do not want to be in the same government with the coalition.

9611
CSO: 3107

BRIEFS

SKDL ON ELECTION LOSSES--The joint council of the SKDL [Finnish People's Democratic Union] is practicing self-criticism in the political statement it issued "at the start of the new year." In the opinion of the joint council, there is some basis for the views expressed after the election defeat that the connection between the organization and the people has weakened. Internal disputes are regarded as having depressed activity and directly driven people out of the organization. The joint council considers that activity has been too tied to questions of government policy instead of discussion on what should be done together. As a remedy, the joint council proposes expansion of activity and discussion of essential questions and revising the relationships between power and production. In the opinion of the SKDL's joint council, the intellectual atmosphere of society clearly shifted to the right during the 1970's, which is shown, among other things, by the success of the coalition in the fall municipal elections. The SKDL is worried that a defensive, even negative attitude toward social renewal has increased, and there is rebellion against use of tax money for social security. The SKDL also rejects demands on wages and taxes that would increase income taxes and reductions in the public sector that in its opinion would weaken health care, social security, and education, among other things. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 8 Jan 81 p 8] 9611

CSO: 3107

INTELLECTUALS' DISSIDENCE CAUSES PCF TO CHANGE POLICY

Paris LE POINT in French 5 Jan 81 p 30-31

[Article by Denis Jeambar "The PCF: The Brain Drain"; passages enclosed in slantlines printed in italics]

[Text] In order to recruit engineers, technicians and executives, the PCF modified its policy vis-a-vis intellectuals for 2 years. The result: another hard blow.

A member of the French Communist Party since 1942, the poet Guillevic had made, early in 1980, a kind of commitment in a book published under the title "Vivre en poesie" ("Living in Poetry") (Stock): /"This party is not perfect,"/ he said, /"we have swallowed a pack of lies, but it is trusted over and over again ...by the most perceptive in the working class....I may disagree with the party leadership on some point or other, and even on the way they work, but this is not enough for me to deprive my comrades of one of their own. I am staying in the Party, but I will not remain silent."/

Since then, there has been Afghanistan, Poland and Georges Marchais' candidacy for the presidential election. These three events have made Eugene Guillevic, who with Aragon is one of the last "mammoths" of the PCF, decide early in 1981 to quit the Communist Party. The straw that broke the camel's back fell on 21 December at Bourget Airport. On that day Georges Marchais, celebrating the congress in Tours and the 60th anniversary of the Party, lashed out at the intellectuals who abandon the PCF and especially at the novelist Helene Parmelin and the painter Edouard Pignon, who had announced their departure two days earlier: /"Some Communists withdraw from combat because, under the adversary's frantic pressure,...they have come to the point of forgetting the abc's of the class struggle."/

Guillevic, outraged, decides then and there to resign and to publish in January a manifesto, along with other intellectuals, explaining the step he has taken. /"The theme,"/ he says, /"will be: No! Mr Marchais, it is not bourgeois pressure which makes us quit the Party, it is our class consciousness. It is contrary to my class consciousness to approve of Afghanistan or the Soviet regime. I have known much stiffer pressures during the war or during my career as inspector in the Ministry for the National Economy. From 1947 to 1957 I was denied any promotion because I was a communist militant."/

Whether critical intellectuals remain in the Party or leave it, many of them, in any event, have not signed the appeal to intellectuals for support of the candidacy of Georges Marchais. Admittedly the list published by L'HUMANITE on 6 December, and updated on the 23d, now has over 1200 signatories, but the big names are missing, despite sustained pressure from the Party leadership. /"They telephoned me twice,"/ Eugene Guillevic reports. /"The first time it was a member of the Central Committee. I told him that I would not sign because I did not like the candidate and because I disapproved of his policy. The second call came from an important member of the Politbureau. I told him the same thing, explaining to him that I could not agree on Afghanistan. He replied that there are good interventions and bad ones. I retorted that, in my opinion, they were always bad."/

Other defections among the writers: the novelist Robert Merle, who quit the Party last year; Raymond Jean, who might leave it early this year. Great names are missing among the academics, such as Andre Gisselbrecht, professor of German at Vincennes-Saint-Denis; Claude Frioux, president of Vincennes-Saint-Denis; Claude Meiliand, president of Aix-Marseille I; Maurice Goldring and Alexandre Adler, of the University of Vincennes; Jean Rony, professor of literature at Nanterre, etc. Also absent are the painter Cueco, who nevertheless was an old fellow traveler with the Party, and stage and television actors as important as Antoine Vitez, Bernard Sobel, Gildas Bourdet, Stellio Lorenzi or Jean-Pierre Marchand.

Admittedly, the signers of the appeal for Georges Marchais are not to be sneezed at, either (Aragon is there, of course, but also Andre Stil, Jean Ferrat, Pierre Bourgeade, and a number of academics); the fact remains that never has the PCF presented such a meager list of intellectuals. There were so many refusals that even the leadership was surprised by it.

In fact, the PCF is harvesting today the bad fruits of a double split. The first occurred in 1956, when the communists discovered the truth about Stalinism. Some (Roger Vailland and Edgard Morin, for example) have remained aloof since that time. Others, such as Guillevic, Parmelin or Pignon, remained. For nearly 25 years, they wanted to believe that the Party had changed. Today they are learning the lesson of 25 years of illusions.

The year 1956 is also a turning point because, from that moment on, the PCF has ceased to attract the great intellectuals. /"In 1936,"/ a communist historian reports, /"all that counted in the sciences, arts and letters revolved around the Party. Since 1956 this is no longer the case. For 25 years it has been difficult for the French workers' movement to grasp the intellectual advances arising outside the movement which have a political impact. This comes from the fact that this research provides understanding of humanity, which the Party claims to possess exclusively."/

The second crack occurred in 1977-1978, at the time of the split over the Common Program. For, while the "mastodons" of culture no longer came to the Party, since 1972 a generation of young intellectuals had let themselves be won over. Today, this is the movement which Marchais is driving to despair.

This despair has two sources: First of all, the intellectuals do not understand the viewpoint of the Party's present strategy. Secondly, they reject the leadership's analysis of the socialist countries and the idea of the "overall positive" assessment.

Added to this, also, is the personality of Georges Marchais. Thorez and Waldeck Rochet listened to the intellectuals. The latter, however, have the feeling that Marchais scorns them. In fact, Georges Marchais, as shown in his latest book, "L'espoir au présent" ("Hope in the Present"), is genuinely fascinated by science and technology, and in 1977 he had the Party make a change in policy--a maneuver which suited his tastes but which was also eminently political. /"The Party,"/ one of its members comments, /"was very late in becoming aware of the irruption of a new class of intellectuals which it calls the ITC (engineers, technicians and executives). Numerically larger than the group of the traditional intellectuals, the ITC represent nearly four million people who can be directly contested for with Social Democracy."/

The result is there: among the 1200 signers of the appeal for support for the Marchais candidacy, the ITC count heavily, even though the Party so far has only brushed executives and engineers. The result is also a reorientation of federation activity: henceforth the effort is being directed toward the cells in the science faculties or toward the IUT's (University Institutes of Technology), while the cells in the liberal arts faculties vegetate. A tangible expression of this orientation is the top-level reform of the intellectuals and executives department, henceforth split up into two departments: the intellectuals, coming under Guy Hermier, and the ITC, under Charles Fiterman and Jean Colpin. The whole thing is symbolized by the entry into the Politbureau of an engineer who is responsible for the CGT executives: René Le Guen.

But all this has been done and is still being done at the expense of experience. We are really witnessing the "traditional" intellectuals being brought into line, although Georges Marchais did ask recently that expulsions not be "pushed" any more, whereas Roland Leroy is the one who wants to increase them. So, to-day, journalists on L'HUMANITE who do not agree with the line are receiving registered letters accusing them of professional misdemeanors. The Maurice-Thorez Institute, which has been incorporated into the Institute for Marxist Research (IRM) that Francette Lazard heads, is also a target. Perhaps the last place of historical reflection for the communists, this institute is vigorously questioned by the leadership for an article on the role of the Communist Internationale which appeared in October in the CAHIERS D'HISTOIRE, a journal of the IRM. Moreover, the Party is starting an actual rewriting of its history (criticizing the periods of union with the socialists) which is shaking the historians of the Thorez Institute. Ready to participate in the "Dossiers of the Screen" on the Congress of Tours, these historians were prevented from doing so by the Party leadership. What is worse, they even found themselves forbidden to publish, before April 1981, a book on the early years of the PCF.

No critical opinions, says the leadership. Will it be bothered by the manifesto which the "rebel" intellectuals are going to publish? It is not certain. The Party is making progress with the ITC and it still has Louis Aragon (83 years old) in the showcase. But, if Aragon...? Did he not write, on the front page of L'HUMANITE on 22 December, these strange sentences: /"We do things very well in relation to others. We still have to do very well in relation to ourselves."/ But "the dissidents" are not deluding themselves. /"With Aragon,"/ they say, /"the leadership runs no risk..."/

9719
CSO: 3100

CGT ADOPTS DECLARATION OUTLINING GOALS, PRIORITIES

Paris L'HUMANITE in French 5 Dec 80 p 8

[Article: "The CGT's Objectives and Methods for Change"]

(Excerpts) Here we publish large excerpts from the declaration adopted on 3 December 1980 by the National Confederal Committee of the General Confederation of Labor [CGT]. This text is the corollary of the report presented at the National Coordinating Commission by Henri Krasucki in the name of the Confederal Bureau.

Each worker's responsibility

Far from ignoring the 1981 presidential election, the CGT invites all workers to accept their responsibilities on that occasion.

The CGT respects the individual freedom of opinion of all its members. As an organization, it will clearly outline its positions. In accordance with its program, it will specify its requirements in all fields, both social and economic, on matters of democracy, disarmament and peace issues.

Following the 40th Congress

The 40th Congress clearly stated the CGT's options. It defined its own solutions which are based on working class interests and meant to solve the crisis and open a way for socialism in France.

Change is indispensable and also possible; everything depends mainly on the conscience and determination of all as a mass and on the level of the struggle. This struggle must be fought permanently and at the same time as demands for action which is the justification for trade unionism.

The CGT's program of action and orientations on all these points were defined within its elected directing bodies, its congress and its statutory instances. This is what guarantees the independence of the CGT and, as a corollary, the respect for its decisions which cannot be altered or canceled to please or reassure anyone. It is this notion of independence which makes it necessary for the CGT to express, in all circumstances and in the best possible way, working class interests.

The struggle for change requires clarity concerning our proposals and the means to achieve them; such proposals require questioning the domination of capital in order

to achieve the social, economic and political reforms which are indispensable to get the country out of its crisis and open up a socialist future.

Relying on its experience, faithful to its orientation and its responsibility as a democratic mass and class union, and keeping its promises, the CGT does its work while keeping in mind the teachings of the struggle for the joint program outlined by the 40th Congress.

For a union of the Left

Bringing about change requires a broad awareness on the part of the masses who have shown an interest in change. Such a group requires a means of a political expression which is an alliance of the left forces that depends on the parties' prerogatives and responsibilities. It is in this spirit that the CGT keeps fighting for a union of the Left.

It provides its original and independent contribution to the mobilization of workers with a view to the formation of this majority gathering. It does it as a fully autonomous class force, as an essential element of the working class movement. Far from being neutral, its role and intervention in such a struggle can only be more demanding insofar as its class content is concerned. This requires a constant effort towards clarity, towards the elimination of any confusion or any tendency to depend on officials; such constant effort must expose everything that may mask the causes of and responsibilities for the division, anything that recommends unity for the sake of unity, regardless of the necessary class content. The CGT makes all possible efforts to permanently facilitate the intervention of all in order to win over thousands.

The CGT, which has long recognized the specific roles and inclinations of political formations, strongly supports party pluralism in our country, both for the present and the future. It does not mean to take the place of the parties and considers the discussion of ideas as being normal and an essential constitutive element of democracy.

The CGT assumes its vocation and its relationship with each on the basis of its program as a trade union and according to its own definition of the class interests of all. In all circumstances, it maintains its freedom in judgment, decision, opinion and criticism which it exercises with an awareness of its responsibilities.

It is in such spirit that the National Coordinating Commission [CCN] of the CGT has defined the CGT's attitude concerning the presidential election.

The Objectives and the Methods

The 40th Congress has adopted a program of action which describes in detail the solutions of the CGT for true change in the workers' lives; since then, the different confederal bodies have defined some aspects more precisely.

To improve the standard of living

To bring about a true change, several objectives must be envisioned:

a) a substantial and regular improvement of salaried and retired workers' standard of living and a significant reduction of inequalities and injustices. This requires, first of all, an upward change in low salaries, an interoccupational Minimum Growth Wage [SMIC] of 3,300 Francs, guaranteed and differentiated progression in purchasing power as part of a policy for an orderly system of payment that would narrow [salary] differences at the top and restore a more equitable hierarchy with far smaller differences.

To guarantee employment

b) To eradicate unemployment, to guarantee employment, to develop the economy, to direct the economy on the basis of needs, to ensure investments corresponding to the interests of the country, this is both vital and possible. Profits must be drawn upon.

Such a program requires that the waste and inconsistencies of the capitalistic system be eliminated and replaced by a new type of development and growth based on the needs and opportunities offered by scientific and technical progress.

Above all, domestic demand must be met through national production; such production should be based on an advanced production system by utilizing all the natural and energy resources of France, its industrial basis and its people's abilities.

To break the domination of capital, really attack profit and guarantee the main economic and social reforms, bring about full employment and stop layoffs, to develop the economy and preserve national independence, it is absolutely necessary to institute a wide range of democratic nationalizations involving all the key sectors of industry, banking and finance, energy, retooling, steel production, mining...

To work in a different way

c) To produce and to work differently through the reduction of working hours according to a concept of work that gives first place to workers' rights in the enterprise, the economy and society.

To improve the quality of life

a) To improve the quality of life in all its aspects, to give a new meaning to life in society by allowing male and female workers to fulfill their earnest desire for full responsibility; creating a process by which individuals would be truly freed from all types of oppression; and giving everyone access to education, culture, entertainment and tourism.

To safeguard peace

e) The CGT pays particular attention to international issues. It is deeply attached to peace, detente and disarmament.

It respects the independence and the national sovereignty of states and promotes the right of nations to self-determination. It fights underdevelopment and hunger in the world.

The CGT advocates an international economic cooperation based on nondiscrimination, noninterference, mutual respect and the fulfillment of agreements based on the mutual advantage of the cooperating states and parties. It considers that such a type of cooperation would contribute to the establishment of a new world economic order which it means to support efficiently.

The CGT sets great store by the situation in Western Europe. It strives to maintain its true place as a class trade-union organization concerned about the independence of France and loyal to the national interest.

It is in this spirit that the CGT denounced the nature and consequences of the Common Market by stressing its opposition to the construction of a supranational Europe meant to serve the antisocial policy of the West German and North American monopolistic forces. In particular, the European integration process derived from this develops primarily at the expense of national independence in all fields (social, commercial, economic, energy, monetary, military) and also at the expense of liberties.

It is on the basis of this general analysis that the CGT condemned the extension of the Common Market to include Spain, Portugal and Greece, as such a process can only speed up restructurations in favor of the monopolistic interests and worsen their consequences as well as human and social difficulties.

The CGT states the necessity of a national defense policy in accordance with the real interests of France; such a defense policy could not be dissociated from a true policy of peace, disarmament, cooperation and peaceful coexistence in the world. Besides the serious dangers that it brings upon humanity, the arms race represents a waste which is economically intolerable and requires that the unions associate their struggle for economic and social demands with that for disarmament.

In accordance with its traditions of international solidarity and cooperation among all nations, and the struggle for peace, for general disarmament and simultaneous dissolution of military blocs, the CGT supports the destruction of any nuclear armament, whether it be national, multinational or European.

As it is opposed to any installation of new types of armament that would constitute a new escalation and contribute to the worsening of tensions, the CGT absolutely opposes the implantation, in Europe, of cruise missiles and pershing rockets by the United States. It advocates the opening of negotiations on all medium-range missiles in Europe.

To defend human rights

Directly following the workers' movement's long tradition of struggling for trade-union and democratic liberties, the CGT reaffirms its fidelity to the defense of human rights and individual liberties in all the nations of the world.

A stronger CGT

The document ends with a chapter devoted to a larger, stronger and even more efficient CGT.

For the workers, the members of the CGT, its supporters as well as those who do not share all its positions, one thing remains sure: "A good thing the CGT is there, combative, aggressive, subordinating all its actions to the workers' interests; whose militants are devoted, universally known, resorted to and appealed to by the wage earners. It is this CGT which is feared by the employers and the government and so maliciously attacked by the major information media; it is the same one which struggles indefatigably against consensus and for its demands.

The CGT must also be given the financial means to fight all these battles on the national and international levels.

...All workers need a trade union and it must be built at the appropriate level."

9773
CSO: 3100

GARAUD URGES FIRM STAND ON ARAB-ISRAELI SETTLEMENT**Kuwait AL-RA'Y AL-'AMM in Arabic 19 Dec 80 p 1**

[Article by 'Adnan Nasrawayn, AL-RA'Y AL-'AMM's correspondent in Paris: "Lebanon Is in a Tragic Situation, and 'Camp David' Is in Trouble. Israel and the PLO Are Called Upon To Recognize Each Other"]

[Text] Mrs Marie-France Garaud, a French candidate for president, said that it is not possible to achieve peace in the Middle East unless Israel and the PLO recognize each other. In a statement to AL-RA'Y AL-'AMM she said that there are international rules and laws which prohibit the occupation of another nation's territory through military force and that for this reason the Palestinians and Israel should engage in negotiations and use peaceful means in order to achieve a state of peace. She believes that the Palestinians should give up the idea of trying to destroy Israel, and that Israel should give up the idea that it can continue to occupy [Arab] territory through military force and should demand that peace be achieved.

Mrs Garaud, the first woman to be a candidate for president in the Palais de l'Elysee, said that France enjoys excellent relations with the Arab world. She said that these relations should not be limited to being economic and commercial relations, but should be an extension of De Gaulle's policy in the area and should be relations which are also political in nature. For this reason, in her opinion, France is called upon to play its role as a great power in today's world in order to make its contribution toward the achievement of a just and comprehensive peace in the Middle East.

She said that it is not enough to make public statements and proclaim intentions, but that it is necessary to adopt practical and effective positions which would contribute toward bringing about this peace. She pointed out that the Camp David agreements have run into great difficulties in their approach toward achieving peace in the Middle East.

Mrs Garaud said that the situation in Lebanon is a tragic one and that the Lebanese question is intimately linked to the Palestine question. She added that it is not possible to solve this problem until after the Palestine question has been solved. She criticized the position which the French government had taken with regard to the crisis in Lebanon. She said that Paris has not played its role in an effective manner in attempting to achieve peace there. Mrs Garaud also accused Moscow of exercising political domination over several areas of the world.

9468

CSO: 4802

NAVY SHUFFLES SHIPS DURING MAINTENANCE PERIODS

Paris LE MONDE in French 21 Jan 81 p 14

[Article by Jacques Isnard: "Naval Battle"]

[Text] It would be naive to believe that the National Navy was annoyed or worried about occasional remarks concerning impending preparations to outfit its Mediterranean fleet for an unknown destination, just when the local command in Toulon managed, by deciding to postpone the planned servicing of the aircraft carrier "Clemenceau," to prevent the only currently operational French aircraft carrier from being temporarily immobilized.

The Navy and the Ministry of Defense, which has taken refuge in the traditional "No Comment," have done nothing to dispel gangway and engine-room rumors suggesting preparations for combat in the Mediterranean at a time when tensions were mounting between France and Libya.

After all, these ravings are part of what deterrence specialists call "military gesticulation" during a period of crisis and their predecessors had already recommended a show of force so that its use would not be necessary. But beyond these speculations of staff officers, there is perhaps an ulterior motive on the part of certain naval officers, i.e.: demonstrating that a naval air force designed around two aircraft carriers is not always enough for a threat to be taken seriously by the very forces against which traditional "gunboat diplomacy" is exercised.

Since last summer and probably until September, the aircraft carrier "Foch" has been immobilized in Toulon in order to undergo significant changes which should enable it to take on Super-Etandard fighter aircraft equipped with a tactical nuclear weapon. During this long repair period, only its twin ship, the "Clemenceau," remains on line in the Mediterranean.

Now as it happens, the "Clemenceau" was in turn scheduled to be unavailable during a so-called short maintenance period, which every warship regularly undergoes once or twice a year during its career. The Toulon port admiral, commander in chief in the Mediterranean, therefore took the wise precaution of postponing servicing of the aircraft carrier, while asking the captain of the "Clemenceau" to see that successive maintenance periods do not exceed 48 hours all together.

Acrobatics

The ship is otherwise serviced for the same periods as the fleet's other vessels: either 48-hour availability for outfitting from a French naval port or 24-hour availability from a foreign port or commercial port, which is the rule in the National Navy.

But at the same time, sailors point out that with only two aircraft carriers in the fleet, there need only be a serious crisis and a series of events during the period that the vessels are technically unavailable for staff officers to have to take somewhat acrobatic steps to manage the naval air fleet.

It is a mystery to no one that in view of these limitations, the world's large navies consider that they need, on the average, at least six ships in order to expect to keep two of them on line in an area at all times.

In the case of France as well, we are not divulging a government secret by saying that if the National Navy had had the choice and the means, the government would have had to accept a total of three nuclear aircraft carriers, whereas the navy will have to manage with two vessels to replace the "Foch" and "Clemenceau" after 1992.

To deploy six aircraft carriers on the main oceans of the globe as often as possible, the U.S. Navy in turn estimates that it uses a total of fourteen. The rumors about immobilization of the "Clemenceau" and the possibility of outfitting, on alert, part of the Mediterranean fleet have come at just the right time to recall the existence of these staff estimates.

This is also a naval battle that is not lost for everyone.

11915
CSO: 3100

AEROSPACE SOCIETY PRESIDENT ON AIRBUS PRODUCTION

Paris LE MONDE in French 25-26 Jan 81 p 14

[Article: "SNIAS Wondering About Airbus 'Family'"]

[Text] What programs should the National Society of the Aerospace Industry (SNIAS) undertake in order to be in a good position in the market at the end of the decade? In a recent conversation General Jacques Mitterrand, the president of SNIAS, informed the president of the republic of his thoughts on this subject. He outlined them on Thursday, 22 January, at a meeting organized by the journalists of the aeronautic press.

During this meeting General Mitterrand devoted a large part of his remarks to what should follow the Airbus medium-range aircraft. After having achieved "a breakthrough in our competitors' forces" thanks to the Airbus, the general asked, should we strengthen our position in this gap by developing, for example, a heavy version of the present Airbus (the TA-9 projects)? Or, on the contrary, should we take a position on the market for short- and medium-range aircraft with 130 to 170 seats (projects SA-1 and SA-2) or on that for the long-range aircraft destined to replace the Boeing-707? While the general management of SNIAS is ruling out this third hypothesis, in return it is bringing all its attention to bear on the short- and medium-range aircraft, while hoping that if such a program ends up on a European scale it will be possible to implement it under conditions of cooperation as close as possible to "those under which it has already been started."

According to SNIAS, this type of aircraft represents a potential market of 2,400 to 2,800 units (it would be equipped with CFM-56 motors). Launching such an operation in Europe requires reliable support on the part of the airline companies. Now, while Lufthansa has strongly supported the Airbus, it does not seem to have made the SA-1 and SA-2 programs one of its priorities. According to the president of SNIAS, if such a program is to see the light of day, it would be advisable to take definite positions--if not decisions--by early summer in order for the first machines to be completed toward 1985-1986. The TA-9 program could follow, with a delay of 2 to 3 years on this calendar.

Speaking of helicopters, General Mitterrand recalled that this division of SNIAS had always been outstanding (LE MONDE, 22 January), but he said he was uneasy about problems encountered in the French-German antitank helicopter. The president

of SNIAS, who affirmed he does not know the causes of these difficulties, considers this program to be a fundamental element of military cooperation between the two countries. Perhaps these difficulties will lead to the construction of a machine "with downgraded performances." But if all negotiations with the Federal Republic of Germany were to fail, "we would have a national alternative solution, with, it is true, reduced market prospects," said the president of SNIAS.

This military cooperation with the FRG is also being manifested in the field of tactical engines in the design of which the British are associated. The three parties should, moreover, meet in the weeks to come in order to evaluate the results of a phase of exploratory study conducted on sea-to-sea missiles. Such a meeting should take place at the end of this year on the subject of antitank missiles.

9380
CSO: 3100

ECONOMIC REVIEW, OUTLOOK FOR IRON, BUILDING, OTHER INDUSTRIES**Paris L'EXPANSION in French 22 Jan 81 pp 49-55**

(Article: "Prospects of Industry Sectors")

[Text] If there is one word that properly summarizes the year 1981, it is "mediocre." In our survey of the major activity sectors, this is the term chosen by everybody, with the exception of aircraft construction, which is always in a privileged position, and BTP [building and public works], where the situation on the other hand is more pessimistic. Further personnel cutbacks are envisaged almost everywhere; along with EDF [French Electric Power Company] aviation is the only industry which intends to increase its personnel force. Among the handicapped, the low demand level is generally mentioned first; but in many cases, this situation is further aggravated by the insufficiency of competitiveness and some people explicitly attack the "upward evaluation of the franc." This undoubtedly explains why the Barre plan is considered a "success" only by a minority. There should nevertheless be some improvement during the year. Apart from BTP, which is afraid of a decline, all sectors count on some recovery after the decline. The chemical and auto industries expect their recovery to start in the spring and all the others expect this to happen during the second half. But nobody entertains any illusions; the medium-term prospects are still very poor: negative in TP [Public Works], zero in the building industry and the textile industry, improving very slowly elsewhere.

Variations Around Zero

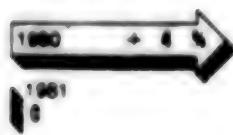
Classement d'après la tendance prévue pour l'activité en 1981	1	PRÉVISION 1981 Tendance de l'activité	Anticipation sur l'année	2 BLAN 1980	
				3 Production (en volume)	4 Appréciation sur l'année
AÉRONAUTIQUE	5	+ 1 à + 3	Assez bonne	+ 5	Assez bonne 22
CONSTRUCTION ÉLECTRIQUE	6	+ 1 à + 3	Médiocre	+ 3,5	Médiocre
CHIMIE	7	+ 1 à + 3	Médiocre	- 2	Mauvaise 23
PAPIER-CARTON	8	0 à + 2	Médiocre	0	Médiocre
INDUSTRIES MÉCANIQUES (DONT MACHINES-OUTILS)	9	- 1 à 0	Médiocre	+ 0,3	Médiocre à assez bonne 24
		- 1	Médiocre	- 3,5	Médiocre à mauvaise 25
DISTRIBUTION	10	0 à + 1	Médiocre	+ 1	Médiocre
ÉNERGIE	11	> 0	Médiocre & AB (électricité) Médiocre (charbon, pétrole) Mauvaise (gas)	- 1,5	Médiocre à AB (électricité) 26 Médiocre (gaz, charbon) 27 Très mauvaise (pétrole) 28
TRANSPORTS	12	> 0	Médiocre	- 1	Médiocre
(DONT TRANSPORTS ROUTIERS)	13	0 à + 1	Médiocre	- 1	Mauvaise 23
(DONT SNCF)	14	0	Médiocre	- 1	Médiocre
AGRICULTURE		0	Médiocre	+ 4	Mauvaise 23
MÉTAUX NON FERREUX	15	0 à - 1	Médiocre	0	Médiocre
CONSTRUCTION NAVALE	16	0 à - 1	Médiocre	- 20	Médiocre
INDUSTRIES TEXTILES	17	- 1	Médiocre	- 8	Mauvaise 23
CONSTRUCTION AUTOMOBILE	18	- 2	Médiocre	- 5	Mauvaise 23
BÂTIMENT	19	- 2	Mauvaise	- 1	Médiocre
TRAVAUX PUBLICS	20	- 0 à - 3	Très mauvaise	+ 3	Assez bonne 22
SIDÉRURGIE	21	- 3	Médiocre	- 1,5	Médiocre

Key: 1--Classification according to trend anticipated for particular activity in 1981; 2--1980 balance sheet; 3--Output (volume); 4--Grading for the year; 5--Aviation; 6--Electromechanical; 7--Chemical; 8--Paper and cardboard; 9--Machine-building industries; 10--Including machine-tools; 11--Energy; 12--Transportation; 13--Including highway transportation; 14--Including SNCF [French National Railroad]; 15--Nonferrous metals; 16--Shipbuilding; 17--Textile industries; 18--Automaking; 19--Building construction; 20--Public works; 21--Steel industry; 22--Very good; 23--Poor; 24--Mediocre to very good; 25--Mediocre to bad; 26--Mediocre to very good (electricity); 27--Mediocre (gas, coal); 28--Very bad (petroleum).

Agriculture

Purchasing power squeezed between petroleum and Brussels

Activity trend by volume



The year 1980 was the third consecutive year of strong growth in output and the experts, who already last year said that "this cannot go on like this," repeated their prediction of stagnation for 1981, in other words, a decline in French farm output. Last year's investments, which dropped 2 percent (their stagnation is expected this year), will not make for any progress. But the essential thing is that this sort of thing is not an incentive for farmers whose total income once again dropped in spite of the continuation of employment reduction at a rate of 3 percent (a rate which should continue this year and during the year to come). Prices as a matter of fact hardly went up any more than the output, in terms of volume, in other words, one-half less than general inflation. The failure to make gains--which did not affect the cereal crop growers, the sugar-beet growers, and the majority of wine-growers--at the end of 1980 was compensated for by a subsidy from the government in the amount of F4.1 billion, added on top of an earlier indemnity of 500 million. But the experts are afraid of a new loss of purchasing power in 1981; to prevent that, the price curve on products necessary for agriculture would have to fall below the sales price curve, fixed at Brussels. Now, the situation on the Community market is deteriorating rather than improving. And the deadlock continues. (A.M.)

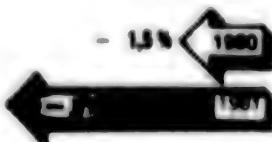
2 (in millions de tonnes)	3 Wheat	4 Barley	5 Maize	6 Beets	7 Wine (l)	8 Milk (l)	9 Beef	10 Pork	11 Eggs	12 Chickens and chicks	Avg. a per cent
Mayenne 1980-1981-1982	13	8,5	3,7	2,1	12,5	63	140	1,0	1,1	0,50	0,48
Mayenne 1981-1982	16,5	7,0	6,8	26,0	94	220	1,8	1,5	0,50	0,78	
Mayenne 1982	20,0	7,5	7,0	27,0	71	240	1,8	1,5	0,54	0,84	

Key: 1--In millions of hectoliters; 2--In millions of tons; 3--Wheat; 4--Barley; 5--Corn; 6--Beets; 7--Wine; 8--Milk; 9--Beef; 10--Pork; 11--Eggs; 12--Chickens and chicks; 13 -- average; e -- estimated.

Steel Industry

Third year of decline.

Activity trend by volume.



The softness in the demands, both in France and abroad (especially in the United States) should mean a business year of 1981 for French steelmakers as mediocre as the preceding one, in other words, declining activities (for the third consecutive year) and financial results showing mostly a deficit. Regarding the domestic market, this mess is due to the reluctance of customers (auto industry, building industry, public works) who are struggling with serious problems and, looking at the foreign markets, this is due to international competition which squeezes prices whenever it does not trigger protectionist reflexes. But there is one consolation: the streamlining effort (closing of the oldest units, personnel cutbacks), carried out over the past two years, on top of the "state of obvious crisis" decided upon

by Brussels, should enable steelmakers to avoid the worst and even to go into the slight recovery--which certain experts expect for the second half--under honorable conditions. (H. J.)

(production en millions de tonnes)	1970	1979	1980 (e)
Acier brut 2	23,6	23,4	23
Aciers fins et spéciaux 3	2,7	3,1	3

Key: 1--Output in millions of tons; 2--Raw steel; 3--Refined and special steels;
e--Estimated.

Energy

More savings than expected.

Activity trend by volume.



The petroleum front could be calm this year, in terms of quantities and prices--or at least one could not rule that out entirely! On that assumption, French primary energy consumption, still supplied to the extent of more than one-half through imported petroleum, could grow between 0 and 1.5 percent. The contrast would be quite marked with the consumption drop (unprecedented during a period of expansion) of 1.9 percent in 1980. Although this is a matter for the Treasury, which is responsible for closing the gaps resulting from ever heavier energy imports (up 60 percent for petroleum in 1980), the weakness of the demand owes something--and this is positive--to progress in energy yields, where the field is broader than was anticipated. But this softness in the demand, combined with higher supply costs, whose repercussions on the consumer are often opposed, leads to further indebtedness; this did not facilitate energy redeployment. Hence, a certain pessimism among the petroleum and gas companies. In short-range terms, this weakness can help the EDF get over peak demand times but--if this should continue for several years--this involves the risk of running counter to the flow of production of nuclear power plants whose construction furthermore presently is somewhat behind schedule as compared to the target dates. It is true that the EDF expects a resumption of consumption to be recorded by next summer. (A. M.)

(Consommation de sources primaires, en millions de tonnes-équivalent pétrole)	1970	1979	1980 (e)
Combustibles minéraux solides 2	39,4	34,4	34,8
Hydro-électricité 3	12,9	18,9	16,3
Électricité nucléaire 4	1,2	8,3	11,8
Gaz naturel 5	10,1	22,3	24,0
Pétrole 6	80,4	100,0	102,4
Énergies nouvelles 7	-	3,0	3,0
Total	184,0	183,6	181,7

Key: 1--Consumption of primary sources, in millions of tons of petroleum equivalent; 2--Solid mineral fuels; 3--Hydroelectric power; 4--Nuclear electric power; 5--Natural gas; 6--Petroleum; 7--New energy sources; e--Estimated.

Nonferrous Metals

Risk of production bottlenecks.

Activity trend by volume



After a rather mediocre 1980, 1981 does not look any better. The demand is so soft that prices are stagnating, at best, or decline. The recovery of the dollar helps the nickel producers who nevertheless will be suffering the consequences of the new steel industry prices. Uranium producers are going through a phase of declining prices due to the delay in the completion of numerous nuclear electric programs. The infatuation of government authorities with nodules leaves the industrialists skeptical and they find that deposits on land are still abundant and much easier to get at. Finally, due to a lack of a guarantee for mining capital invested in unstable countries, new investments are made only in countries where the long-term outlook is a factor to be taken into consideration--but those countries are not always the ones that are richest in nonferrous minerals. The insufficiency of output capacity thus may very well hold the recovery down. (M. H.)

(production en milliers de tonnes)	2	1970	1979	1980 (e)
Aluminium	3	361	391	400
Cuivre	4	33	45	45
Plomb	5	170	220	220
Zinc		224	245	240
Nickel		11,0	1,6	0
Gadolinium (1)		828	782	800

Key: 1--In tons; 2--Output in thousands of tons; 3--Aluminum; 4--Copper; 5--Lead; e--Estimated.

Paper and Cardboard

Recovery expected by year's end.

Activity trend by volume.



The paper situation was excellent during the first quarter of 1980 but declined rapidly during the second half of the year (except for corrugated cardboard, which is more sensitive, where the reversal did not come until April). Spared in relative terms until October, the paper sheet demand dropped severely by the end of the year. Technical unemployment is quite considerable now and enterprises have hesitated to stockpile in order to improve their year-end balance sheet. But, starting that low, the recovery slope should be rather steep during the second half of 1981; for the entire year however, growth should be around 1 percent only. These mediocre results and worldwide competition (especially from the Finns) could locally jeopardize the redeployment of French industries. The latter however is beginning to get started, with heavy investments permitted by the good results as compared to the past 2 years. (J.-F. R.)

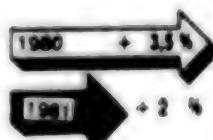
(en millions de tonnes)	1	1970	1979	1980 (e)
Ensemble de la production	2	4,1	8,3	8,3

Key: 1--Millions of tons; 2--Total output; e--Estimated.

Electromechanical Industry

Medium-term growth 4 percent.

Activity trend by volume.



An actual output [increase] of 3-4 percent in 1980 and an anticipated figure of 2 percent in 1981 has persuaded this industry to talk in terms of "mediocrity." In medium-range terms it expects to be growing only at about 4 percent per year, rather at cruising speed, which seems ridiculous to it since the substitution of the electricity-franc for the petrodollar has been presented as an urgent national need and since the telephone subscriber yearbook [directory] becomes electronic. It admits that it welcomes the policy pursued over the past 5 years but in a fashion which is reminiscent of the commercial ravages caused by the "upward evaluation" of the franc or the glut on the domestic market whose purchasing power is indeed in trouble. (M. H.)

(en indice moyen annuel)	1	1970	1979	1980 (e)
Ensemble de la production	2	100	178,5	188
Biens d'équipement	3	100	167,0	170
Biens intermédiaires	4	100	214,0	237
Biens de consommation	5	100	194,0	198

Key: 1--Average annual index; 2--Total output; 3--Capital goods; 4--Intermediate goods; 5--Consumer goods; e--Estimated.

Machine-Building

Revival of big OPEC contracts.

Activity trend by volume.



The very slight growth anticipated in the machine-building industry in 1981 should cover the definite differences in the situation among the various sectors; equipment and precision machinery would go up 1 percent; there would seem to be stagnation for agricultural machinery and subcontracting (still moderately affected in a negative way by the auto industry crisis); consumer goods and light equipment would go down, with many handicaps (increased foreign penetration, effect of stockpiles on level of trade, slowdown in exports); machine-tools should partly regain their production level toward the middle of the year. For the sector as a whole, the first quarter of 1981 represents the trough of the wave and the situation could only improve thereafter. As in 1980, it is the domestic demand--more than exports--which will help raise production. This will not favor the balance of trade. A recovery in "big contracts" coming from the OPEC however has been signalled. (J.-F. R.)

	1970	1979	1980 (e)
Ensemble de la production (en indice de volume) 1	100	121,4	121,8
Machines-outils (commandes hors taxes, en millions de francs) 2	1 848	3 622	4 500
Machines-outils (facturations hors taxes, en millions de francs) 3	1 742	3 732	4 100

Key: 1--Total output (volume index); 2--Machine-tools (orders, before taxes, millions of francs); 3--Machine-tools (billing before taxes, millions of francs); e--Estimated.

Chemical Industry

A sign of hope.

Activity trend by volume.



In 1981, the chemical industry managed to maintain its growth rate. Some of its branches are less sensitive to the fluctuations of the business cycle (such as semifinished products for pharmaceutical uses). But entire segments of the chemical industry are in trouble: fertilizer, going down, petroleum derivatives (organic chemistry products, such as plastics and synthetic fibers); after a good first quarter their output dropped 7 percent in 1980. The first few months of 1981 will not bring any relief. Nevertheless, the chemical industry people live by a double hope. The first one is that an economic recovery--especially in terms of exports (which take up almost 50 percent of organic product sales)--will "sometime during 1981" revive their market. The other hope is that the rumbles of such a recovery might lead to a reconstitution of stockpiles among their customers, as in 1976. These stockpiles as a matter of fact once again are "abnormally" low. Any breather would have a significant effect. In particular, it would raise sales prices--depressed as they are--for certain products (polyester fibers, low-density polyethylene), where they are below the cost price. If these hopes materialize the recovery of margins will be spectacular. Two restrictions of the last several years will be eased during 1981: the price of naphtha, the basic raw material, will tend to stagnate (it returned to its level, such as it was at the end of 1979); and the disturbing effect on prices from American exports will be attenuated by the rise in the value of the dollar. (F. W.)

(en indice moyen annuel)	1	1970	1979	1980 (e)
Ensemble de la production	2	100	163,8	160,2
Chimie minérale	3	100	119,3	88,4
Chimie organique	4	100	186,0	173,8
Parachimie	5	100	144,0	148,2
Pharmacie	6	100	190,0	201,4

Key: 1--Annual average index; 2--Total output; 3--Mineral chemistry; 4--Organic chemistry; 5--Chemistry-related industry; 6--Pharmacy; e--Estimated.

Textile Industry

Shagreen leather market.

Activity trend by volume.



The year 1981 will be a rather somber year for the textile industry. First of all because the output of textile articles will go down. If total household consumption goes up only 2 percent (as anticipated in our central scenario), then the final demand for textile articles has every chance of going down. We do as a matter of fact observe a gap of between two and three points between these two indicators. Now, looking at a declining market, the pressure of imports will be all the stronger since the exporting countries, that signed the 1978 multifiber agreement, will be inclined to assume the strongest positions prior to its renewal (in 1982), which promises to be a difficult thing. Under these conditions, French production can increase only if it is pulled along by exports. And here again, the level of the franc and the recession among our customers renders any prospects of enlargement of our foreign market illusory. The trouble is that these phenomena have been going on already for 2 years. The financial situation of the enterprises in this sector is precarious. In spite of a permanent "degreasing," in spite of factory closings and productivity increase efforts, the year 1981 therefore will bring a continued reorganization which will touch the leading groups in this trade, first among which we have Dollfus-Mieg and Boussac-Saint Freres. (F. W.)

(en indice moyen annuel)	1	1970	1979	1980 (e)
Ensemble de la production	2	100	108	102
Textiles artificiels et synthétiques	3	100	126	100
Industrie lainière	4	100	103	99
Industrie cotonnière et linière	5	100	92	90

Key: 1--Annual average index; 2--Total output; 3--Artificial and synthetic textiles; 4--Wool industry; 5--Cotton and linen industry; e--Estimated.



Recovery certainly is not going to come in 1981--nor is there going to be any cataclysm. The need for ships throughout the world will go up again in 1987 to regain the level prior to the crisis and the effect of this recovery will make itself felt in terms of orders only around 1985. Between now and then, two major problems will persist: the worldwide imbalance between supply and demand and the low price level maintained by countries such as Japan, Korea, or Poland. On these two points, however, the situation will not get any worse for French shipyards. The year 1980 brought a 20-percent drop in their production but it also registered new orders (very numerous so that there is no reason to expect any serious problems prior to 1982) and price rises which, even though they are still below the level of 1974, seem to prove that the worst is no longer to come. New government aid (1.5 billion) should make it possible to get orders on the world market. (R. A.)

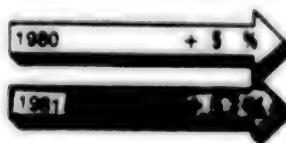
(en milliers de tonnes)	1970	1979	1980 (e)
Mises sur cales plus livraisons divisées par deux	984	515	287

Key: 1--In thousands of tons; 2--Ships laid down plus deliveries divided by two;
e--Estimated.

Aircraft Industry

Visibility excellent.

Activity trend by volume.



The shadow of the cold war will continue to stimulate the military markets which will provide the essential portion of the business volume. Combat aircraft, trainers, and missiles are currently being ordered at an accelerated rhythm by the countries of the Gulf and Latin America. In the civilian field, the commercial success of the Airbus sustains the specification plans of Aerospatiale which is having some difficulty in getting going at the proper pace. In other words, visibility seems to be excellent for an industry which, in 1980, saw its activity advance by 5 percent and which expects to achieve a performance on the same order in 1981. American competition is troublesome but the recovery of the dollar should

promote the competitiveness of French equipment which really benefits from the situation on the political level. (H. J.)

(en millions de francs)	1	1970	1979	1980 (e)
Chiffre d'affaires	2	7 434	27 624	31 500
Exportations	3	2 818	18 678	17 500
Commandes à l'étranger	4	8 607	26 890	20 000

Key: 1--In millions of francs; 2--Business volume; 3--Exports; 4--Orders from abroad; e--Estimated.

Transportation

Highway transportation slowing down.

Activity trend by volume.



After a rather disappointing year, there are no illusions as to the coming year. The transportation industry, which has the habit of reflecting the general economic situation, expects nothing grandiose: a declining demand, stagnating activity, rising costs, stepped-up competition, declining profits, and further indebtedness. This, by the way, is a situation that was already sketched in 1980. The most recent phenomenon is the drop in highway transportation activities which had demonstrated remarkable resistance after the first oil crisis shock. The slowdown in the demand, starting in the spring, has revived competition at the precise moment when the government, at the same time, undertook to implement its economic liberalism in the sector and to control its working conditions more strictly. All of this had the effect of causing a deterioration in the financial results of the enterprises, as well as the entire climate in this industry.

The SNCF is suffering from the crisis among its "heavy" customers: the steel industry and BTP, not to mention petroleum products. A commercial policy reoriented toward the "miscellaneous" traffic of the PME [small and medium-sized businesses] will limit the losses. Passenger transportation continues to go up slightly but the impact of higher rates and the behavior of users in view of the freeze on their purchasing power constitute brutal uncertainties for the SNCF. (R. A.)

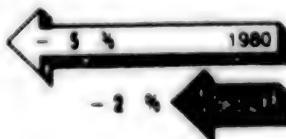
(merchandises transportées, en milliards de tonnes/km)	1	1970	1979	1980 (e)
Route	2	89,4	94,8	93,8
Eau	3	14,2	11,9	12,2
SNCF		70,4	70,7	69,8
SNCF (en milliards de voyageurs/km)	4	41,0	53,8	53,9

Key: 1--Freight carried, in billions of ton-kilometers; 2--Highway; 3--Waterway;
4--(In billions of passenger-kilometers); e--Estimated.

Auto Industry

Crisis is not over.

Activity trend by volume.



Struck by the crisis later than their foreign competitors, French automakers will not get out of the crisis for several months; this leads us to look forward to a 1981 business year which in overall terms will be worse than the preceding year which, in turn, made up of a rather honorable first half and a very bad year-end, wound up --in the case of passenger cars--with a drop of 5.4 percent in registrations and 6.9 percent in exports. This means that the 2-percent increase in output, contemplated by the industry, seems excessively optimistic. There is as a matter of fact no reason to hope for a rise in household purchasing power or a decline in foreign competition, especially Japanese. Moreover, the specific problems of the Peugeot group are far from settled. Among the heavy-weights the situation should continue to recover, thus prolonging the slight rise recorded in 1980; but the delay in this field on the part of the automakers, in this case, the Renault-Véhicules producers, will not be made up overnight. (H. J.)

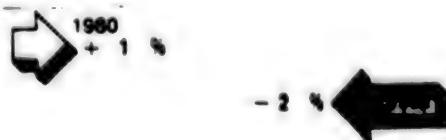
(en milliers)	1	1970	1979	1980 (e)
	5			
Production		2 488	3 220	3 000
dont exportations		1 384	1 688	1 580
Immatriculations	3	1 290	1 976	1 870
dont marques étran...	4	310	429	420
	6			
Production		38	47	53
dont exportations	2	12	24	19
Immatriculations	3	45	42	43
dont marques étrangères	4	12	18	18

Key: 1--Thousands; 2--Including exports; 3--Registrations; 4--Including foreign makes; e--Estimated; 5--Private Automobiles; 6--Commercial Vehicles.

Building and Public Works

Reason to fear decline.

Activity trend by volume.



This sector is the only one where no improvement is anticipated in 1981--on the contrary, a decline is expected. The year 1980 already did not keep its promises in the matter of housing construction; 400,000 housing starts constitute a record of mediocrity and the real needs (renewal of inventory) decline in cohabitation, influx from young households) at least will come to 450,000 housing units per year. As a matter of fact, the shortage has gotten worse and this has caused a speculative price rise in Paris. In 1981, the same financial causes will produce the same effects of insolvency of the potential customers. The restrictions on and the high cost of loans, the freeze on public aid, the rise in construction costs (up 18 percent for materials in 1980 and up 15 percent for wages), more so that general inflation, do not indicate any improvement. The deterioration has extended to school and hospital construction, industrial plants and agricultural facilities, while a slight recovery appeared in office construction and while maintenance activities were spared. For the same reasons, the curves are hardly different in public works which, starting with a better business year of 1980, featuring a 3 percent real increase, now expect a more painful decline. (M. H.)

(en milliers)	1	1970	1979	1980 (e)
Logements mis en chantier	2	482	429	400
Logements terminés	3	458	404	370
Km d'autoroutes mis en service	4	288	292	302

Key: 1--Thousands; 2--Housing starts; 3--Housing units finished; 4--Kilometers of superhighways placed in service; e--Estimated.

Distribution

Industrial products will suffer most.

Activity trend by volume.



The year 1980 ended rather unequally, depending upon the various distribution sectors involved: while the big department stores reported a definite drop (in terms of volume), the low-cost stores stagnated and the supermarkets experienced growth in the neighborhood of 5 percent. VPC (mail-order sales) by far turned out to be the most dynamic sector with an increase of about 10 percent. It will be difficult to maintain these rates in 1981, when consumption should grow 2 percent at best. Within this overall advance, services as a matter of fact will grow more than average (up 4 percent in 1980): food, which will go up in overall terms, will only hold on to its share, and industrial products will go down since purchases here will stagnate. Optimism is not the mood among the big distribution company headquarters. The tendency toward expanding beyond the borders should be accelerated. (Ch. B.)

(chiffre d'affaires en milliards de francs)	1	1970	1979	1980 (e)
Ensemble du commerce de détail	2	217	675	762
dont grand commerce	3	58	211	239

Key: 1--Business volume in billions of francs; 2--Retail trade total; 3--Including big chains; e--Estimated.

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BRIEFS

EEC RESIDENCE, WORKING PERMIT--The Ministry of Labour has clarified that individual tradesmen and professionals and legal bodies from EEC member-states are free--with effect from 1.1.1981--to establish themselves in business in Greece (and reciprocally for Greeks in their countries) and they may offer or accept services on equal privileges and obligations with their local opposite numbers. Likewise, such nationals who, on 1.1.1981 might have been in lawful salaried employment in Greece, have rights to professional reinstatement or reemployment, should they become unemployed, exactly as is the right of their local counterparts. The rights mentioned above, extend with effect from the 1.1.1981 onwards to the families of those thus employed, provided they have been resident in Greece for not less than 3 years. From 1.1.1984, this right is acquired when they have been resident not less than 18 months and, from 1.1.1986 onwards, the right is acquired, irrespective of how long they have been in Greece. From 1.1.1988, the principle of complete free movement and employment of all EEC workers shall apply. For those who, during the said transitional period (1.1.1981-31.12.1987) do not fall within any of the aforementioned categories, they will have to follow the existing procedure in Greece for obtaining a work permit. [Text] [Athens HELLENEWS EXPRESS in English 29 Jan 81 p 2]

VAT PROSPECTS--Readers may remember that Greece, during its final negotiations for accession to the EEC, had said it would be ready to impose Value Added Tax with effect from 1984 onwards. This was agreed. It is now announced that this tax reform could possibly become effective in 1983. A work team has been appointed to study the manner in which VAT could be applied in Greece as a substitute to the indirect taxes being collected at present. The team's main task will be to study procedural matters, the degree of computerization required and the extent to which the fiscal services will have to be reorganized. At the same time, modifications are being made to the original draft bill which was to introduce VAT in principle. It is hoped to have the new bill ready for Parliament by the Summer so that, prior to being debated, it can be put before the business world for any comments or suggestions to improve its efficacy. A basic directive given to the work team is that, whatever categories of goods and/or services become subject to various scales of VAT, it will be done in such manner as neither to add to the cost-of-living index nor deprive the State of such revenue as it had been collecting out of indirect taxation (or, to quote an old Greek popular saying, "he wants the dog fed as well as the biscuit intact"). [Text] [Athens HELLENEWS EXPRESS in English 29 Jan 81 p 3]

TRADE WITH SWEDEN--As an EFTA member, Sweden now extends to Greece the same treatment as it does to the other 9 EEC member-states. This means Greek manufacturers will have access to the Swedish market on terms better than those which applied until the 31.12.1980. On the occasion of the visit to Sweden this week of Greece's Prime Minister and the Minister of Foreign Affairs, which will cover talks on economic as well as political matters, figures were released by the National Statistical Service on Greek-Swedish trade. In millions of Drs. they were shown as follows:

	<u>Imports</u>	<u>Exports</u>
1975	6,700	2,260
1976	11,450	1,500
1977	5,760	1,350
1978	5,100	1,540
1979	6,370	2,920

If invisibles are taken into account, their surplus in Greece's favour is stated to more than offset the trade deficit and give a surplus in the 1980 balance of payments estimated at Drs 630 million. The Swedish market is highly selective and any hope of increasing Greek exports to it, especially where manufactures are concerned, must rely on top quality at competitive prices. Imports from Sweden are largely those which could be expected from an industrially and technologically advanced nation, plus timber and paper pulp and certain minerals which form part of Sweden's natural resources.

[Text] [Athens HELLENEWS EXPRESS in English 29 Jan 81 p 5]

CUBA PROPOSES COMMERCIAL COOPERATION--Mr. R.M. Del Walle, Cuba's ambassador in Rome whose area of responsibility also covers Greece, accompanied by his Economic Counsellor, Mr. A. Giscard, visited Athens last week. During a talk with Mr. L. Euphrainoglu, Chairman of the Athens Chamber of Commerce & Industry, the Cuban diplomats stated their country's willingness to cooperate with Greek engineering firms in contracting for various projects in Middle Eastern countries. There was also an offer of Cuban cooperation and technology in the sectors of: farm products, fresh and frozen fish, chemicals and pharmaceuticals (especially antibiotics), substitutes for petroleum, tube, cement and glass and woodworking. Mr. Euphrainoglu, counterproposed the founding of a transit forwarding centre in Greece for the promotion of Cuban export goods among EEC countries and those of the Middle East with the reciprocal establishment of a similar centre in Cuba from which to promote exports of Greek products to a number of Latin American countries and to Mexico. Mr. Del Walle is expected back in Athens in February to follow up these preliminary talks.

[Text] [Athens HELLENEWS EXPRESS in English 29 Jan 81 p 7]

TOURIST TRADE--The Budgets Evaluation Council (SAP in Greek) entrusted the firm of Arthur Young with the preparation of a progress report on the National Tourist Organization. Its contents caused a meeting to be called by the Minister of Finance to hear recommendations for decentralisation, corrections of managerial shortcomings in State-owned hotels, dismissal of various advisors engaged by NTOG offices abroad, curtailment of their overhauls and changes in the NTOG agency controlling artistic events and programmes (e.g. the Athens Festival). Evidently, the findings of this report were not to the taste of the NTO Secretary General, Mr. E. Solounia who was quoted as having told journalists, after the meeting, that the NTOG was undoubtedly not operating in an exemplary

manner but that it was equally evident that they who had carried out research into its problems had not known their subject in detail or in depth. However, the Arthur Young report, he said, could form the base for constructive dialogue and possible changes. National Statistics Service figures for January to November 1980 show receipts from the Greek tourist trade amounting to about \$1,695,000,000 (\$1,534,000,000 during the same period in 1979). The average per capita amount spent in Greece was \$362 (\$360 in 1979). As regards this last figure, one has to remember 14% Drachma devaluation in 1980 which means the foreign visitors were getting that much more Drachmae for every Dollar they changed into local money to pay their expenses. Therefore, they did not feel the full effect of nearly 30% inflation. In fact, it was just about halved for them. [Text] [Athens HELLENEWS EXPRESS in English 29 Jan 81 p 10]

CSO: 4920

COMMENTATOR WARNS OF INCREASED INFLUENCE OF MARXIST PARTY

Reykjavik MORGUNBLADID in Icelandic 15 Jan 81 p 11

[Article by Guðmundur H. Gíðarsson: "The Important Thing Now Is Holding on to Power, Says People's Alliance Chief"]

[Text] It is reported that one of the leaders of the People's Alliance, when he was questioned recently on whether or not the 7 percent wage cut sanctioned by law could be considered a deception of the labor movement, replied: "The important thing now is holding on to power. This sacrifice is of little importance in comparison to the great advantage that will result from relying on our (the communists') support and power in the government. We need time for this."

The Middle Class in Their Hands

The same communist leadership last year also made a contradictory statement to the effect that so much had been achieved in the socialization of the work and economic life of Iceland that little was left to improve on. The next goal was to have the "right" man in the right place within the Icelandic Government and administrative system. In this way the members of the People's Alliance (Icelandic communists) took control over the middle class into their hands, taking into consideration how much power the communists have in the labor movement (the Icelandic Labor Federation and Union of State and Municipal Employees in particular) and within the teaching profession.

Ruling Iceland With 20 percent of the Electorate

Very few Icelanders realize how systematically the hard core of communists in the People's Alliance, a party that enjoys the support of only 20 percent of the electorate, has been working at gaining decisive power in Iceland. It is not unheard of in world history that small minority groups of fascists or communists make grabs for power. Various methods are employed to achieve this. Bloody revolution under the cloak of a national liberation struggle, when appropriate, may be employed, or crafty machinations.

Hitherto, as may be seen from the pages of THJODVILJANN, seizure of power by bloody revolution and the murder of millions has been praised to the skies. Solemn odes have been published on many a fine revolution, and those who went out of their way to root out the leadership of the bourgeois have been exalted.

The Continuing Connection

There was a systematic effort to propagate communism from Moscow, among other things, through special organizations such as the Comintern. The Comintern also had offices spread through Europe and maintained connections in most of the countries of the world, including Iceland. Icelanders, that is, Icelandic communists, are still alive who had recourse to Comintern headquarters and who obtained advice and guidance there on how Icelandic social organization should be arranged.

After World War II it became clear to the communist in many parts of the world that the time-tested method, bloody revolution and the seizure of power by a minority with a backdrop of weapons and violence, was not applicable everywhere.

The founding of NATO created great difficulty for achieving power in this way in the countries of Western Europe, countries which the communists had long had their eyes on winning through subversion and force. Radical intellectuals and the labor movement had a special role to play in this.

New Methods

New methods were advanced. The connection with the Soviet Union, homeland of communism, became indirect. The new line stated that communism, radical socialism and dictatorship were to be achieved by the methods that best suited each country.

Young, promising socialists were educated in East Germany. An avowed attachment to the Soviet Union was no longer the most important thing. The important thing was that they were true to revolution, were good communists and would work for revolution after returning home.

Revolution in the old manner was no longer in the offing. The struggle was rather to be against the bourgeois polity, Western democracy, the ruling power establishment and church oppression, and for atheism. A systematic effort was made to unravel society and imbue young people in particular with doubts about the bourgeois way of life. As before, liberals were stigmatized as class enemies and everything possible was done to blacken and disparage liberal leaders. If the need arose a temporary coalition could be entered into with bourgeois parties, among other things, so that it would appear that radical communists had respect for bourgeois democracy. Such an effort could be made if there was a need to repudiate the Soviet Union for special reasons, and endured so long as there was consistent movement toward the primary goal: the destruction of the power system of the bourgeois and the coming of socialism.

Can Iceland Be Deceived?

The leaders of the People's Alliance have moved aggressively in this way during the last 2 years to gain power and influence in Iceland.

They have been able to shatter the bourgeois parties, to some degree, and achieve dominant power in the labor movement, in the cooperative movement, in the Reykjavik urban administration, in the Althing and elsewhere.

Representatives of 20 percent of the electorate now hold in an organized manner, absolute control over 80 percent of the electorate in their hands. And so absolute control is the power of the few over the leaders of the major power establishments that they now see their way--only 2 years after describing a 6-7 percent cut in the purchasing power of middle and upper wage earners under 40 percent inflation as a deception of the labor movement--to cut the purchasing power of all wage earners by 9 percent under 70 percent inflation.

Doesn't the common man realize what it will mean for Icelandic freedom and democracy, for life and livelihood, if these audacious modern revolutionaries continue in the future to have all national power in their hands in terms of the government and the mass organizations?

Scientific Methods

It is time for Icelanders to realize that it is no accident that the men of the People's Alliance (Icelandic communists) have come so far along their road of taking complete power in Iceland. Behind it all is a great deal of effort clearly undertaken on the basis of scholarly sociological research into the strengths and weaknesses of the Icelandic national system. The question of where the leaders of the People's Alliance have been able to obtain the resources, knowledge and finances to carry out the seizure of power that has to some extent taken place in Iceland during the years 1970-1980 still remains open.

11,433
CSO: 3111

NATIONAL ECONOMIC INSTITUTE REPORTS ON FISHING LOSSES

Reykjavik MORGUNBLADID in Icelandic 14 Jan 81 p 28

[Article: "Economic Institute Reports Shipowners' Losses of 18.2 Billion Krona"]

[Text] According to the calculations of the Icelandic Economic Institute on the operating conditions of shipowners at the beginning of the year, the boat and trawler fleet is operating at an 11.2-percent deficit or 18.2 billion notational krona a year. On the other hand, the National Association of Icelandic Seamen believes that the situation is far worse, since the Economic Institute did not take into consideration costs to shipowners on account of maintenance, gear and interest. The association believes that boats and trawlers are operating at a total deficit of 13.5 percent or 21.9 billion notational krona a year. Kristjan Ragnarsson, chairman of the association, said yesterday that these calculations called for an increase of more than 20 percent in fish prices, fuel costs remaining unchanged, but that even then the trawler fleet would continue to operate at a deficit.

The Economic Institute calculates that boats not fishing for capelin are operating at an 8.7-percent deficit or 5.6 billion a year. The deficit in the operation of stern trawlers is calculated at 11.9 percent or 9.0 billion, and the deficit for large trawlers is calculated at 17 percent or 3.6 billion. The Economic Institute, in its calculations, has extrapolated from 1979 figures in terms of operating conditions at the beginning of the year without the fish price increases now under discussion. The result of the calculations is far more unfavorable than was hitherto thought and the average figure has changed from a deficit of 5.3 percent to 11.2 percent, according to the Icelandic Economic Institute, or to a 13.5-percent, according to the association, or 21.9 billion. The association believes that the Economic Institute has understated certain cost categories, e.g. interest, maintenance and gear.

The association also points out that it has taken all shipowners' income into consideration based upon the 1980 catch, and that included a greater Icelandic bottom fish component than before.

Kristjan Ragnarsson pointed out, in a conversation with MORGUNBLADID yesterday, that 1979 operations produced a 4.8-percent deficit and that the average catch increase for smaller trawlers was 500 tons from 1979 to 1980. In spite of the increase, however, competency worsened by 13.7 percent at the beginning of 1981 according to association calculations. He said that these calculations called for an increase,

in fish prices of more than 20 percent, with fuel expenses continuing to constitute 7.5 percent. Even with this the trawler fleet would continue to operate at a deficit whereas the boat fleet would recover. Presupposed in the calculations is the same catch as in 1980, despite the fact that fishing experts count on a smaller run than was the case in 1980 to the southwest of Iceland during the winter fishing season.

No provision is made in the calculations of the Economic Institute or in the corrections of the National Association of Icelandic Seamen for debt postponement interest on account of defaults by boat owners. That will amount to over 30 billion krona, according to the association. Interest charges for debt postponement in defaults amount to 15-16 billion a year at that rate.

11,433
CSO: 3111

FISHING FLEET OWNERS INCREASINGLY IN DEBT TO OIL FIRMS

Reykjavik MORGUNBLADID in Icelandic 18 Jan 81 p 48

[Article: "Operators Reject Changes in Debts Owed to Oil Companies"]

[Text] Defaults by fishing boat operators to oil companies amounted to 14 billion notational krona last autumn, and the government has learned that about half of the defaults have been converted into 5-year loans based on the loan terms index. Operators consider these terms to be very unfavorable, Steingrimur Hermannsson, minister of fisheries, has said that operators have recently been rejecting these debt changes. He said that the oil companies were in fact against the debt changes and did not want to float the loans.

Steingrimur Hermannsson said yesterday that he thought the loans were not being viewed reasonably. First of all, interest is lower than for defaults and the payments position of companies is considerably improved through the debt changes. Operators, on the other hand, note that if the loan term index of the last 3 months is used to extrapolate for the entire year, interest on the loans would be 70 percent, whereas interest charges for default during the year would be 57 percent.

It was reported in MORGUNBLADID yesterday, according to Halldor Gudbjarnarson, director of the Vestmannaeyjar Seaman's Bank, that the situation is tight for ocean and fisheries companies at Vestmannaeyjar. "The companies have been all but crushed," said Halldor Gudbjarnarson on that occasion.

Steingrimur Hermannsson said on the matter: "The companies will, to be sure, have to have some way to pay their debts, whether times for payments are changed or not. If they have no way to pay, then they are in truth crushed."

"Under discussion is a 5-year constant value loan at 2 and $\frac{1}{2}$ percent interest, probably below cost. People should realize, however, that with this constant value loan a portion of the constant value is reloaned each year and that lightens the payments burden considerably. If, on the other hand, it is better to pay fault interest and repay on the short term, then I think that default interest rates have fallen too low in comparison with other interest rates.

"The worst thing about the problem at Vestmannaeyjar, in my view, is that financing is not always on the same basis. I invite people to examine the matter more closely. A comparison as to whether or not a constant value loan is superior to default interest is an easy one. I have stated that the Central Bank provided the Seaman's Bank with a loan of 1.5 billion krona on the best terms it could. The Central Bank loaned the constant value financing and that is better than it has generally done. On the other hand, the Central Bank would only consider constant value financing," said Steingrimur Hermannsson.

ALLEGED KGB OFFICER'S ACTIVITIES WITH MP'S WORRY AUTHORITIES

Copenhagen BERLINGSKE TIDENDE in Danish 1 Feb 81 p 12 (I)

[Article by Mogens Auning]

[Text] First Secretary Chebotok, who suddenly left Denmark, is now in danger of being expelled by the Norwegians.

A Soviet diplomat who served in Copenhagen until a few years ago has been exposed as a KGB [Committee for State Security] agent in Norway.

He is Stanislav I. Chebotok, the 43-year-old first secretary of the Soviet Embassy in Oslo. The Norwegian authorities, according to the newspaper VERDENS GANG, are suspicious of the activity Chebotok is carrying on, in part through a number of members of the Storting. Chebotok is a frequent visitor to the Storting, and the Norwegian authorities think his eager questioning, luncheon invitations, and meetings go beyond normal diplomatic behavior.

Before Expulsion

From 1973 to 1977 Stanislav Chevotok served at the Soviet Embassy in Copenhagen. There his work apparently was directed primarily toward creating personal contacts for himself among politicians, the so-called peace movements, and in other groups with a possibility of influencing the public.

Finally the Russian's activities became so extensive that the Danish intelligence service warned the government. An expulsion was considered, but before it came to that, Chebotok left the country.

According to BERLINGSKE TIDENDE's information, the Norwegian authorities are now considering whether to expel Chebotok from Norway. Last week Oslo got in touch with Copenhagen to hear about the Russian diplomat's escapades in Copenhagen.

From what BERLINGSKE TIDENDE learns, it was Chebotok that started the KGB's so-called "Operation Knife and Fork" in Denmark.

Luncheon As a Weapon

As reported earlier in BERLINGSKE TIDENDE, that operation is a large-scale effort that the Russian espionage system has set in motion all over West Europe to get political influence. It works through a charm offensive among politicians, people



Stanislav I. Chebotok, former Soviet diplomat in Copenhagen,
photographed by VERDENS GANG in front of the Storting in Oslo.

from the media world, teachers, and a circle of artists and others who rally around the communist-dominated Cooperative Committee for Peace and Security.

The weapons used are casual meetings at receptions followed by luncheon and later afternoon invitations, gifts, and meetings in private homes.

"Operation Knife and Fork" reached a peak here in Denmark in the fall of 1979, at the same time that the government changed its position on the modernization of NATO's rocket defense in West Europe, and it was used again in connection with the question of stockpiling American military equipment in arsenals in Denmark.

After Chebotok left Denmark his work in this country was followed up by Vladimir Merkulov, third secretary at the Soviet Embassy, who, like Chebotok, has a close connection with the Cooperative Committee for Peace and Security.

Chebotok Shakes His Shadow

One of the prominent members of the Cooperative Committee, Meta Ditzel, a former Radical member of the Storting, said some 6 months ago in an interview with JYLLANDS-POSTEN that on a trip to the author's publishing house at Hald she had offered to take a Russian in her car to Viborg, where she lives. Meta Ditzel said and has since maintained that she cannot remember the Russian's name.

During the trip to Viborg the Russian suddenly said that they were being followed by the police. He could recognize the car, he said.

"I must honestly admit that I decided to tease the pursuers--the pursuers that the Russian had caught sight of. I assume it was some kind of intelligence service," Meta Ditzel told JYLLANDS-POSTEN.

The former member of parliament then led the police on a "shake-off tour," as it is called in police talk when someone tries to slip away from a "shadow," and made the trip to Viborg by various odd byways.

"In any case I drove a different route from the usual to shake them off, as it is called," she said.

The Russian guest, whose name Meta Ditzel insists she does not know, was--according to BERLINGSKE TIDENDE's information--Stanislav I. Chebotok, who, as we said, has now been exposed in Norway as an agent of the Soviet intelligence service KGB.

8815

CSO: 3106

YOUNG LABOR PARTY CHIEF PROPOSES LEAVING NATO

Oslo AFTENPOSTEN in Norwegian 22 Jan 81 p 5

[Article by Liv Hegna]

[Text] "For the Conservative Party to gain influence in times of uncertainty is nothing new. The Labor Party's problem is that it does not have a clearly defined alternative." This statement was made to AFTENPOSTEN by Thorbjorn K. Jagland, head of Organized Young Labor [AUF]. Yesterday he submitted proposals concerning a works program and a new program of principles. AUF stands firmly by its demand that Norway withdraw from NATO and advocates a number of radical socialistic reforms. "Organized Young Labor is now stronger than ever," said Jagland.

The new works program, submitted for the first time by Organized Young Labor, maintains that "as the result of a policy to get Norway out of NATO, Norway's defense must become a national defense whose only responsibility will be to defend Norway against any attack."

AUF chief Thorbjorn Jagland emphasized that the Norwegian Air Force and Marine Corps should be limited and that civil defense should be accentuated. In line with AUG's defense policies, it still favors conscription of women (first proposed by AUF in 1979). Assistant AUF chief Anne Lise Bakken stressed that this does not mean that women will have the same responsibilities as men in the military, but that conscription of women must be viewed as a natural outcome of AUF's stand on equality.

"If we want equality, we must also accept the responsibilities which society demands of its citizens," she said.

Jagland emphasized that Organized Young Labor's leading concerns in the future will be youth and families with children. Moreover, he was of the opinion that AUF has chiseled out policies that have a clear socialistic profile, both in the works program and in the new program of principles which have already been submitted. Discontinued private use of the production system, the full right of an employee to determine his place of employment and a free day-nursery for all are some of the ingredients.

"The problems which the entire labor movement is experiencing are due to the fact that the movement has not been able to adapt itself to the demands of modern times. The entire capitalist world is in the midst of a crisis which it is trying to solve by means of old remedies," said Thorbjorn Jagland. He said he considered that AUF's principles reflect an offensive approach to the problems.

8952
CSO: 3108

HARRIET ANDREASSEN: LABOR, MUNICIPAL AFFAIRS MINISTER

Oslo ARBEIDERBLADET in Norwegian 24 Nov 80 p 6

[Article by Per-Arne Bjerke]

[Text] On Friday, October 3, Norway woke up to the news that Nordli had had a change in staff. Harriet Andreassen would become the new Municipal Affairs Minister and she was the one who was unknown out of the three who entered the Government. Most people asked who the Prime Minister now had come up with. The critical comments were not missing from the press. Not least were question marks placed around the new head of the Department of Municipal Affairs.

"That will not affect me, since I have become, or have always been thick-skinned. The people of the workers movement did, however, know who Harriet was and what she represented. But for the rest of the officialdom I was a fairly unknown quantity. I started from zero without there being any expectations. So far that can be a good starting point," says Harriet Andreassen.

This morning she sits in Stortinget in order to defend the municipal budget for 1981. That will be her first real test at Lovebakken. Until now she has got away with only a couple of questions during question periods.

We meet Harriet Andreassen during an afternoon hour on the tenth floor of the Department of Municipal Affairs. The desk is overflowing with documents. The basket with incoming mail is cram-full.

"This job will take a tremendous amount of work. When I worked for LO [the Norwegian Federation of Trade Unions] it happened that I brought work home with me. Now I almost always have to bring the heap of documents with me from the office."

Unsure

Harriet Andreassen went from LO where she was elected Secretary to the Department of Municipal Affairs at about the same time as the employees of 18 public agencies were on strike as a protest against what they consider compulsory transfer from the capital. She has inherited the battle of the transfer of public offices from her predecessor.

"I can very well understand that the districts wish to have public agencies. They are regarded as safe and secure places of work." But the present Minister of

Municipal Affairs is not quite sure that it is right to build up the districts by transferring established public institutions from the capital. "I have a lot of understanding for the fact that the districts want to have new places of work. But I also understand the employees in Oslo who have the transfer plans hanging over them. Now I myself come from the provinces, and I would like to say to the government employees who may have to move: It is all right to live there too. Besides it is clear that the department is obligated to continue working along the guidelines that Stortinget has drawn up." (Last spring Stortinget decided in principle that some public institutions will be moved from the capital.)

Problems for the Municipalities

These days the municipalities are working on the budgets for next year. Reports of municipalities on the verge of bankruptcy are coming in from all over the country. In many places it has been necessary to cut back considerably.

"What are you, as Minister of Municipal Affairs, going to do in order to help the municipalities that have the most problems?"

"We are following very closely the development within the municipalities' economies. We will have a meeting with the Central Union of the Norwegian Municipalities this week in order to discuss some of the problems. If the problems are too extensive we may go to Stortinget in order to ask for more money. I cannot say more at this time. But we will continue to follow up and evaluate the situation."

Housing report over Christmas

Highest on the list of the department is the housing report. Harriet Andreassen has already made herself known as a spokesman for cheaper housing.

"Can we expect some action from the ministers with regard to the housing report?"

"The housing report will be presented at Stortinget in the spring session and we are making an effort to get it finished quickly so that it can be handled before the summer vacation. We want to bring up the whole matter of housing policies for an evaluation and the report will draw up the guidelines for the housing policies of the 1980's. There are some unclear matters in connection with the report. I can therefore not enter into the specifics. But I can say one thing, and that is that housing matters are absolutely of top priority within the department. As I said before, I am very preoccupied with housing policies and housing costs and I hope that it will be possible for us to do something in this area. The housing policies can be regarded as a part of the total economic policy. The question is how much funding we will be able to transfer to the housing sector."

Employment opportunities for women

Harriet Andreassen is also responsible for employment at a time when the employment problems are increasing outside the country.

"Our goal is continued full employment," she emphasizes.

"It may become harder than so far to accomplish that, but we have reserved funding for relief work in the budget. I expect that we shall be able to keep employment up."

"Another side of the labor politics that I am involved in is the need for work positions for women. The introduction of new technology will decrease employment opportunities for women. When old positons are eliminated they should be replaced with new ones."

"I also hope that the oil money can be used to build up progressive industry that can provide work for everybody."

"Now you sit here and are expected to handle some of the most difficult questions of the Norwegian society. Are you longing to be back at the secretariat of LO and a somewhat more peaceful existence?"

"I accepted this job because I consider it important to get more women involved in politics. In order to get more women into politics one has to be willing to get into it oneself when one is asked. At the same time I see this job as a fantastic opportunity. Therefore I am thriving. Besides I have unbelievably efficient collaborators here in the department. Make sure that you include that," says the Minister of Municipal Affairs, Harriet Andreassen.

9662

CSO: 8139/0543-A

BRIEFS

AIR FORCE PILOT SHORTAGE--"An alarming number of pilots are leaving the air force. In 1980 the air force lost 30 of its most experienced pilots," air force Maj Gen Ingmar T. Narvhus told AFTENPOSTEN. "There has been a growing number of accidents due to pilot errors, which could be attributed to the fact that difficult missions must be assigned to younger pilots. We can no longer maintain a state of readiness in the various units of the air force," said the general. "This is primarily an economic problem," said Narvhus. "Even though SAS no longer accepts new pilots, we are still losing many to other civilian companies. Krone for krone, the military cannot compete with civilian companies, but we have suggested that the Defense Department considerably increase benefits, such as better loan terms, improved housing standards and the right to legal residency in a given community. It is a problem for military officers not to be able to establish legal residency in a community and thus not be able to join housing cooperatives, buy property, etc. By improving a pilot's economic rewards, the more interesting service in the military will compensate for other things. It is far more interesting to fly an F-6 than a DC-9. In the end, the government will not lose by improving a pilot's economic status because it costs 2 to 3 million kroner to train a pilot. It is good economy to try to hold on to them," said Narvhus. The Defense Department has discussed the matter, but will not comment on it for the time being. [Text] [Oslo AFTENPOSTEN in Norwegian 22 Jan 81 p 4] 8952

MORE CONSCIENTIOUS OBJECTORS--"World unrest could be the reason many draftees seek exemption from military duty for conscientious reasons," Maj Jon Roald has told the General War Commissariat. "We received 2,543 such petitions in 1980, only 132 less than in 1974, a peak year. In the intervening years, the lowest number was registered in 1978 with 2,021 conscientious objectors." Maj Roald said that a notice from the Draft Committee concerning possible approval of some of the requests for political reasons may also have had a certain effect. Siggen Witt, head of the Civil Service Office in the Justice Department, said that approximately 80 to 90 percent of the requests to be exempted from military duty for conscientious reasons have been granted approval by the government. "The Civil Service Office is not aware of any significant change in the reasons given for military service exemption. The primary reason is pacifist convictions. Those who seek exemption from military duty believe it is wrong to kill based on religious or philosophical reasons," said Witt. She also believes that growing world conflicts could have something to do with the growing number of conscientious objectors. [Text] [Oslo AFTENPOSTEN in Norwegian 22 Jan 81 p 10] 8952

CSO: 3108

CONSTITUTIONAL REVISION ISSUES, LIMITS ON PRESIDENTIAL POWER

Lisbon EXPRESSO in Portuguese 3 Jan 81 p 2

[Article by Marcelo Rebelo de Sousa]

[Excerpt] We are thinking of the PSD's [Social Democratic Party] actual support for the Seventh Government, the pledge of its leaders, its members, its sympathizers and its electorate.

We find it odd to observe lately in the news media a great deal of speculation on the grave dangers and fearful obstacles that the new government will confront, and on this more or less complete list there is a systematic omission of a factor that we consider one of the most significant of all those which could limit the government's activity.

Mention is made of President Ramalho Eanes, and the institutional battle that he might direct against the government.

Mention is made of the reinforcement of the Socialist Party and the role of an active, forcible opposition that it might assume in time.

Mention is made of the PCP [Portuguese Communist Party] and its threats, which are no longer even veiled, from Alvaro Cunhal's interview in the latest issue of AVANTE.

Finally, mention is made of the CDS [Social Democratic Center Party], and the moves that the Centrist leaders might take, headed by Diogo Freitas do Amaral, to put a swift end to the government, attempting to find a different alternative to it within AD [Democratic Alliance].

Not to mention the internal and international difficulties of an economic and social nature hovering on the horizon at the start of this year of 1981, which have just been cited.

Almost no one mentions this fundamental point that is worthy of reflection: namely, the degree of backing from the PSD for the government that will be taking office in a week.

This backing is all the more important inasmuch as the designated prime minister is also president of the party, as the almost unanimous choice of the National Council.

When referring to political backing, we are thinking of real support, and willingness to accompany that backing with actions, and not merely words.

Portuguese political activity is filled with good intentions, and gestures of sympathy from those on the sidelines, claiming personal or family reasons, when it is known that the true reasons are political, and wishes for good luck that are only a few months removed from the attacks and criticism that manage to topple politicians and destroy governments.

We all know that the parties are as they are, and the PSD has always been and always will be a party in which the barons have immense influence.

Sa Carneiro managed to control them at the cost of half a dozen congresses, half a dozen statutory plans, two splits, one departure with a return and additional threats of departure; and yet, he who was incontrovertible did not succeed in convincing all the party's barons to back his presidential plan.

Therefore, it is extremely important to find out to what extent the PSD is aware of the significance of its greater or lesser commitment to the government that is coming into existence.

The CDS, which started with reservations about the new prime minister, has shown that it understands the political consequences of a possible failure of this government.

Diogo Freitas do Amaral and the CDS have given evidence that they understand what is at stake, as they did in the past regarding the AD plan, and as they also did with respect to the Alliance's total plan, which was viewed as a stake in the future far more than a mere tactical acceptance of the choice of leader.

There remains here, as a mere point brought up, a question which relates to the PSD, but which could involve the very viability of the AD's government plan.

Because it is not enough for the Social Democratic barons to proliferate on pilgrimages in memory of Sa Carneiro. They must demonstrate whether or not they are capable of insuring the continuity of the plan for which he strove.

It is not enough to select someone for a particular political office almost unanimously. It must be proven that this selection was not merely the result of an unburdening of conscience, an easy way of patching a pending problem; but rather that it was a conscious, deliberate, committed option of the party with the largest parliamentary representation in our country.

Constitutional Revision: an Essential Point

As we move on to the topic of the constitutional revision, one aspect must inevitably evoke the preeminent attention of analysts, not to mention those engaged in the political debates within the various parties and party coalitions.

We have in mind the government system established in the Constitution of 1976, which is a semipresidentialist system.

All the political parties participating in the Assembly of the Republic are apparently in agreement on the maintenance of a semipresidentialist government system, defined as one which manages to balance the powers of the president of the republic with the powers of Parliament in a more flexible manner.

But the agreement ends there. Beyond this limit, some are more in favor of a presidential leaning in the government system, while others are inclined toward a more parliamentary leaning.

Obviously, that choice made by the parties and the party fronts is a result of the respective politicostrategic positions far more than it is based on mere considerations of a doctrinal or technical-legal nature.

For example, no one would be surprised if the Democratic Alliance parliamentary groups, based on the October electoral victory and after the success of Ramalho Eanes, battle with even more obvious effort on behalf of a parliamentary leaning in the government system.

From the standpoint of political logic, this means that the AD's bill for constitutional revision must reflect that concern, specifically with respect to certain powers of the president of the republic, such as that of dismissing the prime minister and the veto exercised regarding legislative acts of the Assembly of the Republic.

Reasons based on current circumstances and also reasons of a negotiating nature may explain why AD, with regard to constitutional revision, must appear completely associated with an emphasis on the role of Parliament, and of the government as well.

Similarly, it should not be considered surprising if the PCP does not view the AD proposals for a more parliamentary leaning in the government system with any enthusiasm; for, in the last analysis, it would give preference to the political results of the October elections, in comparison with the results of the December elections.

A leading role will be incumbent on the PS [Socialist Party] and FRS [Socialist Republican Front] in seeking final agreement on this matter, an agreement which requires the vote of two thirds of the deputies present, who will have to exceed in numbers over half the deputies in active service.

Also in this regard, upon rereading Francois Mitterrand's latest book, entitled "Ici et Maintenant" [Here and Now], apropos of the criticism that the French Socialist leader makes of the "de facto" power of the president of the republic to dismiss the prime minister, we found this very odd record, which we cannot help but reprint.

Mitterrand says: "A few seconds ago, I recalled the dialog between De Gaulle and Reynaud before the Constitutional Consultative Committee which, as you know, prepared the text that was put to a referendum for the French people, and became, as a result of its approval, the Constitution of the Fifth Republic. This took place on Friday, 8 August 1958, during the Committee's 11th meeting."

Paul Reynaud: "Should the prime minister appointed by the president of the republic be dismissed by him?"

Charles De Gaulle: "No, because if that were the case, he could actually govern. The prime minister is answerable to Parliament, and not to the head of state, insofar as the political situation is concerned. The essential role of the head of state is to insure the regular operation of the public authorities. Therefore, he would appoint the prime minister as in the Constitution of 1875, which abolishes investiture, without precluding the use of the vote of confidence."

"Hence, the prime minister forms his government, and the president of the republic signs the decrees whereby the ministers are appointed. If the prime minister requests the dismissal of one of his ministers, the president of the republic signs the decree, but does not take the initiative for the decision."

"If this were not the case, the balance would be jeopardized. I insist, the president of the republic is essentially an arbitrator, whose mission it is to insure the operation of the public authorities, whatever happens."

Paul Reynaud: "Mr President of the Council, your response assumes extreme significance. It will mitigate the uneasiness of those who wondered whether the bill was inspired by the spirit of a presidential regime or by that of a parliamentary regime."

It remains to be seen how many and which of the Socialist members of Parliament will prove to be Gaullists in this respect; that is, will want to uphold the weight of the parliamentary component of the Portuguese government system, voting for presidential powers that in reality, to use the words of De Gaulle (which are not his example), "would jeopardize the balance among the organs of sovereignty."

Portimao, 2 January 1981.

2909

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RETENTION OF 1976 PRECEPTS IN CONSTITUTIONAL REVISION PROCESS

Lisbon O JORNAL in Portuguese 16-22 Jan 81 p 26

[Article by Lisbon School of Law constitutional law adviser Ricardo L. L. e Pinto:
"The Survival of the 1976 Constitution and Breaks in Constitutional Order"]

[Text]"...The commitment of which the Constitution is a product (and which cannot and must not be jeopardized) is founded upon the democracy that is the basis for the legitimacy of the Constituent Assembly..." Dr Jorge Miranda

1. Various examples from history have provided information which enables us to conclude that the greater or lesser degree of perpetuity of the formal Constitution depends largely on two types of factors: some reflected in the ideological-programmatic substratum of the respective text, stemming from respect for the commitment made when the Constitution was prepared; and others that are external factors of a social, cultural, political and economic nature, encompassing and imposing conditions on the fundamental law.

The interaction of these factors, rather than the establishment of limits on the exercise of the revision power itself, reflects the survival and stability of Constitutions.

When the time-lag between the written Constitution and the surrounding social reality is obvious, the projection of that phenomenon is, as a rule, reflected in the creation of rulings that are usually "contra legem" [against the law] or, more seriously, in breaks in the constitutional order.

The notion of constitutional order has a certain parallel with the material, or real Constitution, a group of substantially constitutional precepts forming the type of ranking of precepts for the state. It obviously results from the expanded concept of the Constitution, a historical conquest on the part of the thinking and culture of the 18th century, a supreme accomplishment of the liberal spirit.

Resulting from the value of the Constitution are the unprecedented force and significance of its legal precepts, and the increased difficulty of those who attempt to upset them.

The topic is not new, but it has a direct application to the recent juridico-political agitation that has been occurring in the Second Legislature regarding the Constitution of 1976 and its potential revision, specifically on the part of those who have overtly advocated actual breaks in the constitutional order that is in effect.

Just one caution before we continue: It is important to ascertain the point at which there is a mixing of merely political, albeit soothing interpretations with supposedly legal opinions of the analyses and theorizing backed solely, or predominately, by constitutional law. There must be resistance to the former, yet not overlooking the susceptibility of this branch of public law to political science. Only those with a gross, Manichean view of politics take the step from political science to the groundless, nonjuridical utting with which constitutional law, increasingly in need of dogmatic stability, is used.

2. The force of Portuguese constitutionalism was obliterated for many years, owing to the contempt that the Salazar regime evinced for the fundamental law. From the state of oblivion which almost constantly marked the Constitution of 1933, constitutional revitalization took place in 1975 and 1976, the date of the preparation and approval of the text that is currently in effect. Five years of great doctrinal intensity and constant discussion merit it the description of a live Constitution.

It is a live Constitution which is dynamic per se, and which, repudiating immutability itself, refuses the elimination of the constitutional order that the members of the 1976 constituent group created. The 1981 revision cannot create a new Constitution because, in our opinion, the perpetuation of the current constitutional order is based on the substantial validity of its basic principles, reflected directly in the text of the Preamble: national independence, fundamental rights, democracy, the democratic state of law and socialism, with respect for the desires of the Portuguese people. This legal statute on power and society as they relate to the state, with some more markedly ideological provisions moderated, needs to be preserved, on behalf of the consolidation of the democratic institutions and the commitment of 1976.

Hence a new, stable commitment must be created, which will preclude a revision based on confrontation, and will foster a revision based on consensus.

3. Nevertheless, there are respects, some essential and others of a formal nature, in which change or improvement is required. And while no major controversies are arising at present over the elimination of the more ideological features, capable of causing a concomitant vacuum and of impeding the desired consensus, the linkage among the organs of political power or the overseeing of constitutionality itself has already proven controversial.

With regard to the latter point, we consider the creation of a Constitutional Court, with the possible elimination of the Council of the Revolution, as a guarantee of independence and impartiality, difficult to improve upon. The major question arises, not with respect to unconstitutionality through action, but rather unconstitutionality through omission which, if it persists, should be turned over to a nonjuridical organ, inasmuch as its authorization was based on a predominately political rationale.

Dr Jorge Miranda's revision plan, creating a Council of the Republic, with authority in this regard, would solve the issue, although the proposals backing the elimination of this type of control over unconstitutionality seem to us to be rather reasonable.

As for the government system, the balance of powers and their distribution in terms of interdependence of the organs of sovereignty, as well as the experience gained to date, warrant the maintenance of semipresidentialism, although some changes need to be made in this area of the organization of political power, namely:

- a. Express approval of the government program by the Assembly of the Republic;
- b. Shortening of the periods set for submitting and discussing the government program (Article 195);
- c. Express dismissal of the government by the president of the republic through a message sent to the Assembly of the Republic.

Moreover, in theory, the solution advocated by semipresidential eclecticism, lying midway between presidentialism of American origin and classic European parliamentarism, although it is heavily dependent on politicosocial and economic factors insofar as the predominance of its presidential or parliamentary components is concerned, has proven reasonable in Portugal (however, not overlooking the fact that the presidential post in this scheme has, in recent years, been assumed by a personage to whom the government system itself owes a great deal for the refinement and propriety of its operation).

4. The greatest flaw in the Constitution of 1976 may perhaps be the fact, an pardonable one to some experts in natural law, and not only them, that the constituent legislators, apprehensive about the future, established tight limits on constitutional revision. Hence, the harbingers of doom and the political alchemists have come advocating the referendum solution as a panacea for all ills, a bath of democratic purity that would purge two ills in a single act: the flagrant material limits, and the need for a two thirds vote to pass the law for revision.

As we stated at the outset, we are not dealing here with the more or less Machiavellian justifications that certain politicians have given for this proposition, but only the legal justifications.

And in the case of the latter, which are based on the identification of the so-called original and derived constituent power as absolute, we shall make a few comments which seem to us to be useful, although greatly synthesized:

- a. In accordance with several philosophical precepts, intractable constitutions are rejected, and flexibility is upheld: "...it is against the nature of the social body to impose laws that it cannot repeal." (Rousseau). But they overlook the fact that there are not only material limits; they forget the formal or temporal limits which, in our view, are characteristic of constitutional inflexibility, and explain, with respect to the current constitutional order, that the constituent powers of the Legislative Assembly in the Second Legislature are contingent on, and limited to the very mechanisms stipulated in the 1976 text. And, insofar as we know, no one has questioned the temporal limits! Hence, there is a flawed rationale that is partially damaging to the stanchest defenders of the referendum.
- b. The explicit substantive limits are rejected, and the implicit, or immanent limits are enhanced, in the view of the experts in natural law, and not only them.

When the original constituent power itself is confined to limits of a suprapositive nature, some of the logical consequences are not removed thereby. Therefore, we see no great difference between the limits expressly established as individual rights and liberties (Article 290, Section d) and their acceptance as suprapositive natural limits, for example. In other words, their area of immunity is similar, something which does not appear to be in harmony with the proposition that we are criticizing.

It still remains to be seen whether there will be a categorization of natural limits, and what solution must be provided when the material limits are consumed in their entirety by suprapositive limits; questions which have not been explained by the experts in natural law bent on proving that the method for revision called for in the Constitution need not be upheld.

c. With the disregard for the established procedures for exercising the power of revision (and we include therein not only the material limits, but the formal and temporal limits as well), we are confronted with real breaks in the constitutional order brought about by internal factors that are essentially similar to the external factors, revolutions or coups d'etat, leading to a new constitutional order, regardless of its legitimacy or illegitimacy (which, in the case of Portugal, would be obviously illegitimate).

d. The interpretation that we make of the so-called material limits is quite clear: Article 290 establishes principles, not regulations, and only the former cannot be violated. "It is not the change in the explicit clauses alone that affects the material limits of the revision; what affects them is that the substantive principles of the Constitution are disturbed." (Dr Jorge Miranda).

5. It is conciliation and the constitutional revision ennobled by consensus (the consensus of 1981, which will replace and improve the commitment of 1976) that we favor, rejecting confrontation and temptations to coups and plebiscites. The constitutional order created by the Constitution of 1976 must be made to prevail, as a catalyzing mainstay of the democratic state of law.

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AD, FRS POINTS OF DISAGREEMENT ON CONSTITUTIONAL REVISION

Lisbon O JORNAL in Portuguese 9-15 Jan 81 p 38

[Article by Carneiro Jacinto: "Many Points of Disagreement Between AD and FRS Proposals"]

[Text] O JORNAL was told by well-placed Socialist sources that there is by no means convergence, but rather deep-seated differences between the proposals for constitutional revision devised by AD [Democratic Alliance] and FRS [Socialist Republican Front].

Certain majority political elements have attempted to give the impression, particularly through written statements published in the news media affiliated with them, that there is every possibility of reaching an easy consensus between those two political factions. Refuting this claim, during the course of a meeting of the Socialist parliamentary group held on Wednesday, Mario Soares came out in favor of a revision that would "upset" the present constitutional text as little as possible; something which obviously runs counter to the objectives of AD and Freitas do Amaral.

According to Socialist constitutionalists contacted by O JORNAL, the Freitas do Amaral proposal "does not resolve any of the friction points that exist at present, maintains the structure of the present Constitution and upsets only the most sensitive areas wherein it appears to be filled with loopholes."

The Most Controversial Points

In this regard, the points associated with political and economic organization were the ones mentioned as being the most controversial. For example, the government system advocated by Freitas do Amaral would establish somewhat of an "AD dictatorship," because it "lends stability to Democratic Alliance governments, and maintains instability in the event that the present coalition should leave the government and a minority executive branch were to govern." On the other hand, concerning the future powers of the president of the republic, the same constitutionalists told us that the CDS [Social Democratic Center Party] proposal, in a discussion within AD, only ostensibly expands them. In this connection, the fact that the president of the republic is prevented from dismissing majority governments because such authorization is considered vague, is disputed, and the determining powers conferred upon the Council of State to dissolve the Assembly of the Republic are not accepted either.

In fact, the power of dissolution would become determined by the Council of State, wherein AD would always have a clear majority because of the influence of the representatives of the Autonomous Regions and of the higher courts. It is also unacceptable to the Socialists for the president of the republic to be deprived of the power to send messages and to make statements concerning all serious emergencies threatening the life of the republic; which is considered a first step toward depriving the head of state, for example, of air time, and requiring him to virtually ask permission to address the nation. The composition of the Constitutional Court is also criticized in this regard.

But while all these points of conflict exist with respect to the political organization, in the area of economic organization, we were told by Socialist sources that in the latter the Freitas do Amaral text completely transforms what is stipulated in the present Constitution. No references are made to nationalization, to the extent that "mention is hardly made of the existence of the public sector."

Other aspects that are criticized relate to the electoral system ("in which Freitas do Amaral attempts to distort the representation and to create conditions for the perpetuation of AD"), and, of course, the possibility of resorting to a referendum to revise the Constitution in the event that a two thirds majority that can do so does not exist.

This proposal from Freitas do Amaral was, in general, poorly received by PSD [Social Democratic Party] members, and particular note was taken of the vehemence with which Santana Lopes, a former assistant of Sa Carneiro for legal affairs, berated the proposals of the CDS president, especially with regard to the powers of the president of the republic.

As O JORNAL learned, there were even PSD deputies and officials who found out about the Freitas do Amaral proposal only from the newspapers...while at the same time it was being distributed personally, and with the compliments of the CDS president, to many opposition deputies, specifically from PS [Socialist Party] and ASDI [Independent Social Democratic Association].

In turn, mention was made of statements by Jorge Miranda to a weekly publication claiming that there was "a good working basis, with several points of convergence." Although these statements did not cause major concern within FRS, it was subsequently proven that this was not exactly the opinion of the Socialists in the PS or in the UEDS [Leftist Union for Socialist Democracy].

The Bases of the FRS Proposal

The FRS proposal, the major lines of force of which the PS parliamentary group began to examine yesterday, follows (still according to our sources) the principles of the agreement signed at the time that front was formed, and also those stemming from the PS agreement with Gen Ramalho Eanes with respect to backing his second candidacy. From what we managed to learn, the general features of the proposal are based on the following points, thusly: preparation of a plan for constitutional revision, and not for a new Constitution; total fulfillment of the revision process established in Articles 286 and 288 of the Constitution, rejecting any referendum; scrupulous compliance with the material limits on the revision established in

Article 290; maintenance of the structure of the Constitution and of the scope of subject matter that it includes; preservation of the fundamental system of ideas established in the Constitution; establishment of a greater conceptual stringency in the constitutional text; and elimination of certain proclamations of dubious or nonexistent practical essence.

With respect to the widely discussed and controversial question of presidential power, the FRS proposal is inclined toward a principle whereby the balance means that the power will not be reduced or increased. It is only natural that the proposal be aimed at reinforcing some powers of the PR [president of the republic] and depriving him of others, specifically those resulting from the abolishment of the Council of the Revolution, as well as certain limitations stemming from governing experience and practice. For a "Council of the Republic," FRS proposes a different composition from that of AD's "Council of State," and, unlike AD, is of the opinion that, in view of the existence of minority governments, the power should not all lie exclusively with the president of the republic.

One of the innovations in the FRS proposal will relate to the news media. In that area, this front will attempt to establish principles that will clearly protect the media's independence from the state.

As for economic organization, the FRS proposal is aimed at changing Article 80 and maintaining Article 81, without interfering with its formal improvement and possible additions; the preservation of the guarantee of the irreversibility of the direct nationalizations, without interfering with the provisions of No 2, Article 83 ("the small and medium-sized business firms nationalized indirectly, apart from the basic sectors of the economy, may, by way of exception, be integrated into the private sector..."); the elimination of the reference to a phase of transition toward socialism, in Article 89 ("sectors of ownership of the means of production"); the maintenance of the present criteria for grading sectors of ownership of the means of production; the maintenance of the essential content of the provisions relating to agrarian reform; and, finally, the improvement of the provisions dealing with taxes on consumption and the control of foreign commerce.

Lastly, it should be noted that, as Alvaro Cunhal announced in a recent interview granted to AVANTE, the PCP [Portuguese Communist Party] is also preparing its proposals for constitutional revision; and it may be predicted that neither of the texts that we have cited will be ready to be submitted to the Assembly of the Republic until early or mid-February (see statements by Carlos Brito in this issue).

Santana Lopes in Search of Rebelo de Souza

In the opinion of several observers, the issue of the constitutional revision will prompt some heated debates within AD, especially in the area related to the organization of political power, and to the powers and jurisdiction of the president of the republic.

As we have noted, the principles enunciated by Freitas do Amaral in his synthesized proposal immediately drew direct criticism from one of the closest collaborators of Sa Carneiro, Santana Lopes.

The new PSD president assigned a commission comprised of Santana Lopes, Margarida Salema and Marcelo Rebelo de Sousa to arrive at an opinion of the Freitas do Amaral proposal.

This opinion was due to be ready yesterday, and when we approached Pedro Santana Lopes, he confined himself to telling us: "I cannot explain the reasons, but they cannot be attributed to me. Dr Marcelo Rebelo de Sousa disappeared, and I don't know whether I can draw any political inference from that!"

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COMMUNIST PARTY DEFENDS CURRENT CONSTITUTIONAL STRUCTURE

Lisbon O JORNAL in Portuguese 9-15 Jan 81 p 38

[Report on interview with PCP deputy and former PCP presidential candidate Carlos Brito, by Afonso Praca; date and place not given]

[Text] At the end of next week, the PCP [Portuguese Communist Party] Central Committee will meet to analyze the party's proposals and positions concerning the revision of the Constitution. Afonso Praca, from O JORNAL, was told by Deputy Carlos Brito, leader of the Communists' parliamentary group, "We are devising a plan which would be better described as a set of proposals."

According to Carlos Brito, the PCP's intervention in this matter is to be planned by a committee consisting of specialists, "taking into account the organization of our proposals and also the refutation of the proposals from other parties and coalitions, specifically those which are opposed to a constitutional revision of the Constitution."

However, that Communist deputy declined to give details on the proposals to be submitted before the Central Committee meeting scheduled for next week.

Carlos Brito declared: "In the entire matter, it is obvious that we are upholding the present systematic structure of the Constitution; we are upholding the economic and social statute that the Constitution permits."

However, the PCP will submit proposals for change, as Carlos Brito told O JORNAL: "We shall put forth several proposals for change in the area of liberties and guarantees, for the purpose of reinforcing them; as well as several proposals for change in the area of political power, aimed specifically at reinforcing the powers of the Assembly of the Republic with respect to the government. We may also make proposals to reinforce the balance and complementation among the different organs of sovereignty, particularly for the eventuality, which we do not favor but are on guard against, of a possible abolishment of the Council of the Revolution."

Meanwhile, the PCP is also analyzing the proposals and positions of the other parties and coalitions, with a view to their rebuttal in the parliamentary debate, which is not anticipated very soon. Carlos Brito also commented: "We are not concerned with our proposals alone, but also with the positions of the other parties, groups and coalitions, even though, from a practical, concrete standpoint, the

process of constitutional revision is not due to begin soon." He emphasized: "The particular insistence of certain AD sectors on the matter of constitutional revision is, of course, associated with laying the groundwork for that process, but with preeminent consideration of the current political situation."

According to the PCP's parliamentary leader, "Those with democratic views must be very alert to the fact that certain forces, the most conservatives ones within AD, are seeking in the revision dynamics to surmount their great difficulties at present resulting from the electoral defeat of 7 December, and are exerting pressure on the political situation, trying to summon new allies for themselves."

According to Carlos Brito, "It is clear that Freitas do Amaral's putting forth the proposition to ban the president of the republic from dismissing governments with a parliamentary majority is a way of resuming the war against Ramalho Eanes and, on that basis, seeking the unification of the right and, possibly, understandings with other sectors that are not dying of love for the president of the republic."

To be sure, these allusions relate to certain PS [Socialist Party] sectors; but Carlos Brito is of the opinion that, "These attempts by AD to handle the issue of the constitutional revision with new dynamics must be met with a very forceful retort from the democratic forces which, also for this reason, are dutybound to understand that a real revision of the Constitution in the manner that the Constitution itself establishes, must be made on the basis of an understanding among the democratic forces." More specifically, "If the PCP and PS and their allies so desire, there will not be an unconstitutional revision of the Constitution. The PCP has this desire; let the others respond."

Once again, there is a question of an understanding between the PCP and PS. Is it possible? In other words, will there be agreement in the positions of the two parties on many proposals?

Carlos Brito admits that there will be: "It is likely that there will be agreement on major points, and that they will be close on the key issues. But we view with concern the acceptance by certain PS sectors of ideas that have been put forth by the right, specifically on the question of local government, which in our view are dangerous." Carlos Brito cited specifically the reduction in the number of those elected from the local governments, and the election of the chamber executives by the municipal assemblies, which "would tend to benefit the right, and would give rise to great instability in the local governments," signifying a "weakening of the local government and a strengthening of the central government defended by the reactionaries."

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COUNCIL OF EUROPE ADMONISHED, RAIF DENKTAS BLASTED

Istanbul CUMHURIYET in Turkish 1 Feb 81 p 5

[Editorial by Ali Sirmen]

[Text] The Council of Europe's decision regarding Turkey has sparked major debates in our press and public opinion.

It is not our intention here to examine the decision. It has been dwelled upon plenty. I only want to emphasize two points in this regard.

One of these is whether the Council of Europe's actions are interfering in Turkey's internal affairs.

I wonder whether the sensitivity and reaction exhibited by the Council of Europe with respect to the revival of our parliamentary system as soon as possible and the deficiency in human rights can be regarded as meddling in our country's internal affairs?

Since every country arrives at a system that it either chooses itself or merits, the Council of Europe's interference with a country's system may be viewed as intruding in its internal affairs. However, the situation in our case is a little different. To become a partner in Greater Europe: Those of us who pursued this goal--a goal sought ever since the Ottomans resolved in the mid-19th century to take their place within it--applied for membership in the Council of Europe. The receipt of a positive response to this application depended on accepting in full the obligations that go along with certain conditions. Turkey became a member of the Council after responding in writing that it accepted these conditions.

As a result, it is not quite possible to view as interference in our internal affairs the Council's recent bent for implementation with regard to governmental structure and human rights in Turkey.

The second point that I want to emphasize is concerned with the stands of European countries. Council members' concern with the implementation of governmental structure and human rights in any country is a legitimate stand. But it is most peculiar to exhibit this concern after the fact.

In this regard, it is impossible not to see the contradiction in the stands of Council of Europe countries. In one respect they are squeezing countries like Turkey into a corner with merciless economic policies, and they will push these countries into a crisis that will make them unable to run a parliamentary system. And later when matters have become bogged down, they will ask, "Just how did this come about?" This is where the breakdown occurs.

It has been a recognized fact for a long time that the Turkish parliamentary system was experiencing a crisis that threatened its existence, but that a path is being cut toward its inevitable restoration. There is no one unaware of the fact that besides internal factors that triggered the decay of many institutions--parliament among them--economic malaise is a major factor.

12 September is nothing other than the natural and logical outcome of all these developments. There can be no doubt that solving the crisis within our own institutions is still a duty that falls to us Turks.

However, when a certain Turkish statesman in the past told our European friends that they should show us the understanding they give others or that we were heading for a crisis that would carry the government away with it, they never exhibited due concern.

It is impossible not to see the contradiction in those who stood unconcerned then but who are highly sensitive now.

We forward these views of ours with respect to the legislative and executive bodies of the Council of Europe membership.

Another decision that appeared in yesterday's papers demonstrates a similarity as to contradiction, although it has nothing to do with the Council of Europe. This event is the decision of Raif Denktas, son of Rauf Denktas, to resign from the National Unity Party (NUP).

Raif Denktas, who 6 years ago dropped his penchant for pop singers and the guitar and, not even 25 years old, dove in headlong with the style of a prince and the bearing of political heir-apparent, became the source of continuous trouble both on Cyprus and within the NUP. Everyone already knows the considerable role that Denktas Jr.'s efforts to spread his personality and the Grey Wolf ideology played in fragmenting the NUP.

One need not be surprised that in the end the great majority greeted with joy the resignation of Raif Denktas, who smeared mud everywhere in ZAMAN, the most conservative press organ in the Turkish sector.

But the surprising aspect is Raif Denktas characterizing his own policy as Kemalist revolutionism. The youthful Denktas has expounded the principles of his policy for a long time; he has laid out Grey Wolf ideology. I wonder whether Grey Wolf'ism long ago became Kemalist revolutionism?

Raif Denktas' decision to resign is appropriate. But it is groundless and illegitimate--just as it is a mockery of the nation's common sense--to characterize him or his policy as Kemalist.

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